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FBIS-EAS-90-056 CONTENTS *22 March 1990*

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

NORTHEAST ASIA

Japan

- Central Bank Governor Calls Yen Fall Excessive *[KYODO]* 1
  - Ministry Plan To Halt Fall *[KYODO]* 1
  - Finance Minister 'Worried' *[KYODO]* 1
- Trial Five-Day Workweek To Be Implemented *[KYODO]* 1
- EPA Reports Last Quarter 1989 Economic Growth *[KYODO]* 2
- Institute Predicts 1990-1995 Annual Growth *[KYODO]* 2
- Threat of Inflationary Pressure Said Growing *[KYODO]* 3
- Labor Shortage Reaches Highest Level Since 1984 *[KYODO]* 4
- MITI Predicts Steel Production Decline *[KYODO]* 4
- Big Banks Expect To Incur Large Losses *[KYODO]* 4
- MITI, Ministry Set Up 'Fuzzy Logic' Lab *[KYODO]* 5
- Hungarian Finance Minister Meets Officials *[Budapest MTI]* 5
- 'High-Powered' Soviet Economic Mission To Visit *[KYODO]* 5
- USSR Agrees To Permit Further Flights *[KYODO]* 6
- Watanabe Comments on Recent PRC Developments *[KYODO]* 6
- Second Group of Chinese Boat People Deported *[KYODO]* 6
- Ie-Jima Residents Plan Harrier Training Protest *[Naha Radio]* 7
- ROK's Kim Yong-sam Meets JSP Leader Doi *[KYODO]* 7
- Nikon-ROK Entrepreneur Establish Joint Venture *[KYODO]* 7
- Mitsubishi Asked To Join in GDR Truck Project *[KYODO]* 8
- Japan Socialist Party Reveals 1990 Program *[KYODO]* 8
- Airline Chiefs' Homes Attacked 21 March *[KYODO]* 8
  - Police Suspect Narita Radicals *[KYODO]* 8

Mongolia

- Great Hural Accepts Batmonh, Sodnom Resignations *[Ulaanbaatar International]* 9
- P. Ochirbat Replaces Batmonh as Head of State *[Tokyo KYODO]* 9
- New President, Prime Minister Interviewed *[Ulaanbaatar International]* 10

North Korea

- Committee Criticizes New Weapons Delivery *[KCNA]* 10
- Statement Distributed at Disarmament Meeting *[KCNA]* 10
- Premier Sends Message to Southern Counterpart *[Pyongyang Radio]* 11
- Comparison—Demand for Clarification on Tunnel 11
- South Reunification Minister's Speech Denounced *[KCNA]* 11
- South Rulers 'Fabricate False Incidents' *[KCNA]* 12
- WPK Greets Lao People's Revolutionary Party *[KCNA]* 12
- News Briefings Held in Soviet Embassy 20 Mar *[KCNA]* 12
- Cuban Official Sends Message of Solidarity *[KCNA]* 12
- Zambian Leader Supports Reunification Plan *[KCNA]* 13
- Head of Asian-African Group Arrives 20 Mar *[KCNA]* 13
- End to Apartheid Urged on Anti-Racism Day 13
  - Committee Sends ANC Message *[KCNA]* 13
  - Dailies Assail South Africa *[KCNA]* 13
- Daily Newspapers Hail Namibian Independence *[KCNA]* 13

Agitators, Five-Household Propagandists Meet *[Pyongyang Radio]* 14
Increase in Iron, Steel Output Reported *[KCNA]* 14
* 1990's Agricultural Construction Rally Held *[NODONG SINMUN 13 Jan]* 14
Many Popular Welfare Measures in Force in North *[KCNA]* 20
Islet Under Construction as Revolutionary Site *[KCNA]* 21
Correction on NODONG SINMUN Lauds Visit 21

South Korea

CSSR, South Korea Establish Diplomatic Ties *[YONHAP]* 21
Diplomatic Exchange With PRC 'Inevitable' *[PUSAN ILBO 20 Mar]* 22
Hong Kong Investment Loan Made to PRC Firm *[YONHAP]* 22
Kim Yong-sam Interviewed on Soviet Trip 22
    CHUNGANG ILBO 19 Mar 22
    Questioned by Seoul TV 24
'Door-to-Door' Delivery Agreement With USSR *[THE KOREA HERALD 22 Mar]* 24
Hungary Anxious To Attract Foreign Investment *[THE KOREA TIMES 22 Mar]* 25
* ROK Paper on North's Election, Succession *[TONG-A ILBO 24 Feb]* 26
Academicians Allowed To Contact North Scholars *[YONHAP]* 26
Possible Seoul-Pyongyang Footrace Discussed *[THE KOREA TIMES 20 Mar]* 27
Pro-Pyongyang Koreans in Japan To Visit ROK *[THE KOREA TIMES 22 Mar]* 27
Anti-Kim Il-song Sentiments Perceived in Japan *[HANGUK ILBO 17 Mar]* 27
Relations Sought With Namibian Government *[THE KOREA TIMES 22 Mar]* 28
Oil Tank Contract Signed With Iranian Firm *[YONHAP]* 28
DLP To Call Extraordinary Assembly Session *[THE KOREA HERALD 22 Mar]* 28
Defense Minister Comments on Disarmament *[YONHAP]* 28
New Energy Minister Vacates Assembly Seat *[YONHAP]* 29
Lawmaker Fined for Election Irregularities *[YONHAP]* 29
* Government Plans To Aid Small Businesses *[MAEIL KYONGJE SINMUN 25 Jan]* 29
* Three-Party Merger's Effect on Economy Viewed *[SEOUL SINMUN 23 Jan]* 31
Newspaper Criticizes Recent Cabinet Reshuffle *[HANGYORE SINMUN 18 Mar]* 33
Number of Street Demonstrations 'Fewer' in 1990 *[YONHAP]* 33

SOUTHEAST ASIA

Burma

Commentary Discusses U.S. Demand for Khun Sa *[Moscow International]* 35
Military Rulers Urged To Ensure Fair Elections *[Delhi International]* 35
Saw Maung Receives Thai Envoy's Credentials *[Rangoon Radio]* 36
Saw Maung Meets Malaysian Armed Forces Chief *[Rangoon Radio]* 36

Brunei, Malaysia & Singapore

Malaysia

Mahathir Comments on Illegal Immigrants in Sabah *[BERNAMA]* 36

Singapore

Defense Official on Offer of Facilities to U.S. *[THE STRAITS TIMES 15 Mar]* 37
President, Premier Congratulate Gorbachev *[THE STRAITS TIMES 21 Mar]* 37
Second Minister on Naval Base Expansion Plan *[THE STRAITS TIMES 15 Mar]* 37

Cambodia

Phnom Penh Troops Reported 'Poised To Attack' *[AFP]* 38
Paper Urges More Efforts To Recruit Soldiers *[Phnom Penh Radio]* 38
Central Committee Greets Lao Party Anniversary *[Phnom Penh Radio]* 38
    Leaders Visit Embassy *[SPK]* 39
Resistance Says 100 Students in CSSR Defect *[Tokyo KYODO]* 39

Indonesia

EC Official Says Investment Remains 'Attractive' *[THE INDONESIA TIMES 13 Mar]* ... 39
East Timor Governor Views Duty of Officials *[THE JAKARTA POST 13 Mar]* ... 40

Laos

Phoumi Vongvichit Opens Party Anniversary Rally *[Vientiane Radio]* ... 40
Thai Princess Ends Official Friendship Visit ... 41
    Visits Provinces 20-21 Mar *[Vientiane Radio]* ... 41
    Departs 22 Mar *[Vientiane Radio]* ... 41
    Article Assesses Reaction *[Bangkok BANGKOK POST 21 Mar]* ... 42
Party Foreign Policy in 'New Stage' Viewed *[Vientiane Radio]* ... 42

Philippines

De Villa Comments on Galido's Coup Revelations *[Manila Radio]* ... 43
Aid Cut Not 'Bad Precedent' for Bases Talks *[PHILIPPINE DAILY GLOBE 22 Mar]* ... 44
Lobby Effort Seeks Full Compensation for Bases *[BUSINESS WORLD 22 Mar]* ... 44
Envoy Urges 'Neutral and Nuclear-Free' Future *[BUSINESS WORLD 21 Mar]* ... 45
Appointment of Palestinian Envoy Announced *[PHILIPPINE DAILY GLOBE 22 Mar]* ... 46
'Indicator' on Rising Trade Deficit With Japan *[BUSINESS STAR 20 Mar]* ... 46
Ramos Agrees To Exchange Program With Singapore *[Quezon City Radio]* ... 47
De Villa Names Three New Commanders *[PHILIPPINE DAILY GLOBE 19 Mar]* ... 47
Five More People Face Rebellion Charges *[Manila Radio]* ... 47
    Subpoenas Issued *[Manila Radio]* ... 48
Rebel Soldiers Recruiting From Bicol Military *[Manila Radio]* ... 48
Three Coup Plotters Arrested in Manila *[Quezon City Radio]* ... 48
Rebel Military Officer Eludes Arrest *[Manila Radio]* ... 49
'Renegade' Priest Denies Alliance With Aguinaldo *[[Quezon City Radio]* ... 49
Official on Rising Trend of Communist Violence *[PHILIPPINE NEWSDAY 21 Mar]* ... 49
Tribesmen Told To Reject Armed Groups *[PHILIPPINE DAILY GLOBE 22 Mar]* ... 50
Communist Rebels Move From Negros to Panay *[THE PHILIPPINE STAR 20 Mar]* ... 50

Thailand

Reports Continue on Possible Cabinet Reshuffle ... 50
    Three Issues Reviewed *[BANGKOK POST 18 Mar]* ... 50
    Editorial Views Reshuffle *[THAI RAT 20 Mar]* ... 51
    Paper on Sitthi Post *[SIAM RAT 16 Mar]* ... 51
    Sitthi Keeps Top Post *[BANGKOK POST 22 Mar]* ... 52
    Minister 'Ready To Quit' *[BANGKOK POST 19 Mar]* ... 52
Cabinet To Replace Press Law With New Bill *[BANGKOK POST 21 Mar]* ... 53
    Editorial Applauds Move *[THE NATION 21 Mar]* ... 53
    Editorial Praises Decision *[BANGKOK POST 22 Mar]* ... 54
Princess Sirinthon's Activities in Laos Reported *[Bangkok Radio]* ... 54
Deputy Minister Visits China, Discusses Trade *[Bangkok Radio]* ... 55
Secretary to Prime Minister Meets Soviet Envoy *[Bangkok Radio]* ... 55
Narcotics Suppression Group Planned With Burma *[BANGKOK POST 15 Mar]* ... 55
30 Vietnamese Boat People Land in Chumphon *[BANGKOK POST 22 Mar]* ... 55

Vietnam

Ho Chi Minh Exhibition Opens in Hanoi 20 Mar *[VNA]* ... 56
Symposium Held on Inflation Control Success *[Hanoi Radio]* ... 56
State Bank Announces New Interest Rates *[Hanoi Radio]* ... 56
Foreign Investment Law Implementation Reviewed *[Hanoi International]* ... 57
Meeting Marks Lao Party's Founding Anniversary *[VNA]* ... 57
    CPV Greets Party *[Hanoi Radio]* ... 57
Agreement With Laos on Forestry Cooperation *[VNA]* ... 58
Soviet Supreme Court Delegation Pays Visit *[VNA]* ... 58

Vo Nguyen Giap Receives Foreign Scientists *[VNA]* 58
Delegation Attends French Socialist Congress *[VNA]* 59
Paper Comments on GDR General Elections *[VNA]* 59
Nguyen Van Linh Greets Mongolian Party Leader *[VNA]* 59
New Envoy to Yugoslavia Presents Credentials *[VNA]* 59
Chemical Warfare Training Activities Reported *[Hanoi Radio]* 59
War Veterans Association Adopts Draft Statute *[Hanoi Radio]* 60

Japan

Central Bank Governor Calls Yen Fall Excessive

OW2203053790 Tokyo KYODO in English 0505 GMT 22 Mar 90

[Text] Tokyo, March 22 KYODO—Bank of Japan Governor Yasushi Mieno on Thursday described as "excessive" the yen's sharp decline against the U.S. dollar in Tokyo interbank trading in the morning. Mieno made the remark at a session of the Budget Committee of the House of Representatives.

The U.S. dollar surged against the yen in Tokyo to end the morning at 155.20 yen, up 1.55 yen from Tuesday's finish. The Tokyo market was closed Wednesday for a national holiday.

"The Japanese economy is the most balanced among the major industrial nations," Mieno said in ruling out the possibility of the hike Tuesday of the official discount rate leading to a slowdown in the economy, which he said continues still on an expansionary track. The central bank raised the discount rate by a full percentage point to 5.25 percent effective Tuesday.

Mieno said the nation's prices remain stable in general and there is no change in economic fundamentals, and predicted the Japanese currency will not suffer a further decline.

Finance Minister Ryutaro Hashimoto, meanwhile, speaking at the same committee session, expressed serious concern about the plunges in stock prices and the yen.

Ministry Plan To Halt Fall

OW2203060690 Tokyo KYODO in English 0537 GMT 22 Mar 90

[Text] Tokyo, March 22 KYODO—The Ministry of Finance (MOF) will act in concert with financial authorities in other industrial nations on measures to stop the yen's further decline in currency markets, a senior ministry official said Thursday.

Tadao Chino, head of the ministry's International Finance Bureau, also said the stabilization of currency markets will be discussed at a meeting of Japanese and U.S. finance ministers to be held this weekend.

The basic attitude of the United States of not advocating a further decline of the yen was confirmed at the summit meeting early this month between Prime Minister Toshiki Kaifu and U.S. President George Bush, Chino said. Some analysts have said U.S. acceptance of the current yen-dollar exchange rate invites yen-selling in foreign exchange markets. Chino said, however, that concerted interventions by central banks in major industrial countries show they maintain firm cooperation in stabilizing the yen.

Regarding the possibility of holding a meeting of top financial officials of the Group of Seven (G-7) industrial nations in the near future on the stabilization of currency markets, Chino said, "Financial leaders of the countries always keep in close touch."

Meanwhile, a source in the ruling Liberal Democratic Party said Finance Minister Ryutaro Hashimoto will leave Tokyo on Friday for the U.S. to see his counterpart, Treasury Secretary Nicholas Brady. They will hold a meeting Friday afternoon (Saturday morning Japanese time) in Los Angeles and will have a broad discussion on bilateral economic issues, the source said. Their talks will include measures to stop the yen's further decline in exchange markets, as Japan's stock and bond markets are now slumping in addition to the weakness of the yen, the source added.

Finance Minister 'Worried'

OW2203074590 Tokyo KYODO in English 0635 GMT 22 Mar 90

[Text] Tokyo, March 22 KYODO—Finance Minister Ryutaro Hashimoto voiced serious concern Thursday over the yen's unabated decline and said he would like to discuss currency problems with his U.S. counterpart, Nicholas Brady, this weekend. Hashimoto told a House of Representatives committee session he is "very much worried" about persistent speculative moves in currency markets at a time when there is no change in Japan's fundamental economic strength. He was referring to the yen's fall to the 155 yen level against the U.S. dollar, the lowest in more than three years, in Tokyo trading earlier in the day.

Hashimoto said such currency market instability would be among topics at his expected meeting with Brady in Los Angeles on Friday. He also said Japan will fight market speculation through coordination with other major industrial countries.

Trial Five-Day Workweek To Be Implemented

OW1603015690 Tokyo KYODO in English 0116 GMT 16 Mar 90

[Text] Tokyo, March 16 KYODO—The cabinet decided Friday to implement a trial five-day workweek for government employees on shift work as part of a scheme to extend shortened hours to all government workers by 1992. Officials plan to look at the effects of the 40-hour week for a six-month period and also study shortened workweeks in private companies and local government offices before extending the system.

General office workers employed by the government began a twice-a-month, five-day workweek from January of last year. Previously they worked six days a week. The trial will cut down the present 42-hour week for prison guards, maritime safety workers, air traffic controllers, and other workers by two hours to give them a full two days off per week. Some 137,000 employees will be affected by the new decision including 93,000 in state schools.

But officials are still undecided whether 90,000 medical personnel in nationally-run hospitals can have a shortened week due to concern about possible effects on the care of patients.

The government has encouraged widespread adoption of the five-day workweek partly as a way to raise spending on leisure activities. Greater domestic spending is regarded as a way of boosting imports and thus reducing trade friction.

EPA Reports Last Quarter 1989 Economic Growth

OW1603100090 Tokyo KYODO in English 0754 GMT 16 Mar 90

[Text] Tokyo, March 16 KYODO—Japan's economy grew at an inflation-adjusted 4.7 percent in the final quarter of 1989 from a year earlier, the Economic Planning Agency [EPA] said in a preliminary report Friday. The increase, which translates into a 0.7 percent rise from the previous quarter, stemmed chiefly from robust domestic demand like personal consumption and corporate capital spending, agency officials said.

Domestic demand, for instance, contributed 1.8 percentage points to the 0.7 percent guarterly gain, offsetting weak external demand which showed a 1.1 percentage point loss, they said.

The 4.7 percent economic growth, measured by Gross National Product (GNP), was slower than 5.1 percent growth in the preceding quarter, but the officials called the slowdown "reaction" to extraordinary high growth during the third quarter. GNP measures a nation's total output of goods and services.

On an annualized, inflation-adjusted basis, Japan's economy expanded 3.0 percent in the October-December quarter, slowing down from a 12.2 percent rate in the July-September quarter, the agency said. A brisk rise in domestic demand helped fuel the economy's expansion for the latest reporting quarter, growing 1.8 percent from the prior quarter and 6.4 percent from a year earlier.

Among other things, corporate investment in plant and equipment grew 3.8 percent on a quarterly basis though it slowed from a revised 6.5 percent rise in the prior quarter. The growth in domestic demand, which was equivalent to 7.5 percent on an annualized basis, offset weak external demand along with slow growth in exports, the officials said.

With exports up only 1.0 percent from the preceding quarter, external demand, a category which gauges exports and imports, showed a 1.1 percent contraction in a reversal from a 0.5 percent expansion in the July-September period. Imports climbed 6.3 percent from the prior quarter, drawing strength from brisk imports of crude oil, autos and other machinery items.

Among important items in the GNP data, the inflation-gauging GNP price deflator rose 2.1 percent during the October-December quarter, a rate which the officials described as an indication that prices are stable. The October-December GNP data brought economic growth in 1989 to 4.9 percent on an inflation-adjusted, year-on-year basis, compared with 5.7 percent in 1988, the agency said.

Showing the same trend seen in the quarterly report, domestic demand served as a dynamo of growth, providing a 5.9 percent point gain and making up for a 1.0 percentage point setback in external demand. In particular, corporate capital spending climbed 17.8 percent in 1989 from a year earlier, the biggest increase since 1970 when it posted a 19.8 percent surge. The GNP price deflator rose 1.5 percent over the year before after going up 0.6 percent in 1988 and down 0.3 percent in 1987.

In the meantime, the latest quarterly GNP statistics came as good news to the government, making it certain that the government will achieve its target of 4.6 percent real growth for Fiscal 1989 ending on March 31. "Given strong corporate capital spending and economic indicators available so far, the growth target will be attained by a large margin," one agency official said.

Commenting on recent confusion in Japan's financial markets, he said the recent volatility in stock and bond prices and foreign exchange rates does not pose any serious concern for the moment. "I'm concerned about the possible impact of recent developments in financial markets to some extent. But that a impact will probably not be felt for a while," he said.

Institute Predicts 1990-1995 Annual Growth

OW1603092490 Tokyo KYODO in English 1430 GMT 15 Mar 90

[Text] Tokyo, March 15 KYODO—Fueled by healthy personal consumption and capital spending in the private sector, the Japanese economy is expected to grow at an annual rate of 4.1 percent in real terms during the first half of the 1990s, a research institute said Thursday. The Nomura Research Institute said in its medium-term economic outlook that the nation's consumer spending will rise at an annual rate of 4.5 percent, while corporate investment in plant and equipment is expected to grow 6.5 percent per year.

Prices will remain stable during the five-year period due to a forecast narrowing of the gap between domestic and overseas prices, import expansion, and no steep rise in wage costs, it said. Reflecting the domestic demand-led economy, Japan's trade surplus is expected to shrink to 42.4 billion dollars in 1995 from 76 billion dollars in 1990, with imports swelling 13.4 percent annualy and exports growing at a slower rate of 8.9 percent.

While describing the projected 4.1 percent growth as the most likely scenario, the institute also surveyed the impact on Japan's economy of five possible economic and political changes worldwide in the future—increasing trade friction, worsening inflation, the so-called "hollowing" of industry stemming from factory relocation overseas, another energy crisis, and political upheaval in the communist bloc. It said a possible spurt in oil prices would have the most adverse effect on the Japanese economy. If oil prices reach to over 30 dollars per barrel through 1995, Japan would have to experience commodity price rises of more than 5 percent annually in 1992-1993, Nomura said.

The accelerating inflationary pressure would force the Bank of Japan (BOJ) to tighten its rein on credit, driving economic growth sharply lower to an annual rate of 2 percent. The institute predicted the yen will also drop to around 160 to the dollar from the 145 yen level, the expected average for 1990.

If Japanese exports to the United States are artificially slashed by about 15 billion dollars annually, the nation's current account surplus will dwindle to 14.5 billion dollars in 1995 from 45.3 billion dollars in 1990, also sending the yen to the 160 yen level, Nomura said.

Threat of Inflationary Pressure Said Growing

OW1903103390 Tokyo KYODO in English 0717 GMT 19 Mar 90

[By Hidesuke Nagashima]

[Text] Tokyo, March 19 KYODO—Japanese face a threat of inflation after enjoying price stability through much of the 1980s. A number of product prices and service costs have gone up or are about to go up this spring in Japan. Labor costs are rising and the decline of the yen on foreign-exchange markets threatens to make imports more expensive. In addition, the rising cost of crude oil is also likely to have ripple effects on prices. Prices and charges have been raised, or are scheduled to be raised, for beer, hotel accommodation, taxis and fast food, among other items.

Japanese employers warn that wage hikes of over 5 percent for unionized workers this year could plunge the nation into an inflationary spiral. The top labor group, the Japanese Trade Union Confederation (Rengo), is demanding pay hikes of 8 to 9 percent in the current annual spring labor campaign for higher wages.

Yoshiro Tokunaga, director of the Price Research Division at the Economic Planning Agency, said, "the price trends need careful watching but there is no cause for concern over possible inflation." But officials at the Bank of Japan, the central bank, say "latent inflationary pressure" is growing.

Consumer prices have been stable in the past several years, when the yen's increased foreign-exchange value has made imports cheaper, and crude-oil prices have remained low. But in 1989, the yen's value began to fall, applying upward pressure on the import costs. For 1990, the government earlier forecast that the consumer price index (CPI) will rise 1.6 percent—following a 2.3 percent rise in 1989, when the 3 percent general consumption tax was introduced.

The forecast was based on assumptions that the yen's value against the U.S. dollar would rebound. But market trends so far this year have betrayed officials' expectations, with the yen's value falling further to the level of 150 to the U.S. dollar.

The most controversial among the recent series of price hikes or planned price hikes were probably the synchronized beer price increases announced by Japan's four breweries. Early this month, Sapporo Breweries raised the price of a large- sized (633 cc) bottle of beer from 300 yen to 320 yen. In less than a week, all other breweries also announced raises to exactly the same price. All the breweries denied fixing the price among themselves, and said they faced similar pressures of rising costs. Contrary to popular belief, beer prices are not government-regulated, and retailers have the right to charge any price they want for beer. But under the tradition of noncompetition, few have done so.

Leading hotels in Japan, meanwhile, have raised or are moving to raise their room rates, citing cost increases resulting from higher wages and renovation of facilities. Hotel Okura in tokyo is raising its room rates by an average 3.9 percent effective April 1. The Palace Hotel increased its room rates by an average 9.8 percent in February. Accommodation in a twin-bed room now costs from 25,500 yen to 34,000 yen, up from 23,500 yen to 32,000 yen. The Century Hyatt Tokyo and Hotel New Otani also have raised room rates.

Meanwhile, member companies of the taxi operators association of Tokyo are seeking government approval on their plans to raise fares by 15 percent, starting early in May. This would be the first raise in six years.

McDonalds' Co. (Japan), the hamburger restaurant chain, in February raised prices of drinks and some other items by between 10 yen and 40 yen at some outlets in Tokyo. McDonalds' Japan President Den Fujita said prices of other items might have to be raised because "wage costs are rising and so are the import costs of foods, due to the decreased value of the yen."

The Japan Travel Bureau and Kinki Nippon Tourist Co. are raising the costs of overseas package tours by 4.3 percent to 4.5 percent, effective April 1, due to the decreased value of the yen.

Japan's Public Broadcasting Network NHK (Japan Broadcasting Corp.) is also raising its monthly color TV reception fee by 300 yen, or 28 percent, to 1,370 yen this spring, subject to Diet approval. The satellite broadcasting reception fee will remain unchanged at 930 yen.

Government officials stress, however, that while some prices and charges are going up, others are going down. For example, Nippon Telegraph and Telephone Corp. has cut long-distance call rates by an average 15 percent. The international telegraph and telephone service company KDD is to reduce its rates for international phone calls with about 30 countries by 9.4 percent on April 1. Japan Air Lines, All Nippon Airways and Japan Air System have announced plans to cut fares on selected domestic routes by 0.6 to 16.3 percent, subject to government approval.

Labor Shortage Reaches Highest Level Since 1984

OW1803115890 Tokyo KYODO in English 0937 GMT 18 Mar 90

[Text] Tokyo, March 18 KYODO—Japan's labor shortage has hit its highest level since the Labor Ministry began conducting surveys in 1984, according to the latest such survey released on Sunday. The survey, compiled by the ministry on February 1, quoted 56 percent of wholesale, retail, and food and beverage companies, 58 percent of manufacturing companies and 68 percent of service firms as saying they had had labor shortages as a result of Japan's business boom. The shortage rates in those firms rose 4 to 8 percentage points since a similar survey in November last year.

The survey, conducted by the ministry four times a year, covered about 4,100 private companies with workforces of 30 or more.

Service firms tended to think labor shortages would increase in their sector, but firms in the other sectors thought the problem would be partially eased by recruitment next month of high school and university graduates, the survey said. But all industries said they had to make increasing use of head hunters, part-time workers, and temporary staff dispatched by employment agencies.

MITI Predicts Steel Production Decline

OW1903174790 Tokyo KYODO in English 1047 GMT 19 Mar 90

[Text] Tokyo, March 19 KYODO—The Ministry of International Trade and Industry (MITI) Monday predicted Japan would make 26.75 million metric tons of crude steel during the April-June period, down 1.8 percent from the same period last year. That will be the first year-on-year decline in three years since the 3.3 percent decline registered in the April-June period of 1987 from the year before, officials said. Officials attributed the decrease mainly to a plunge in exports to China and the Soviet Union.

The ministry forecast the domestic consumption of steel products in the April-June period at 18.51 million tons, the highest for any quarter so far. It was up 5.6 percent from the year-earlier level.

Officials said exports would decrease by an estimated 1.5 million tons in the April-June period, more than offsetting an estimated 1.03 million-ton increase in the domestic sales. This will send the crude steel output in the quarter to a level 500,000 tons below the year-before level.

The officials estimate demand from the shipbuilding industry in the quarter would grow by 18.6 percent from the year before, or the highest percent growth of all. Demand from the industrial machinery industry is forecast to increase 4.7 percent, electric machinery 3.1 percent, construction 2.8 percent, and automobiles 1 percent. By contrast, the civil engineering industry's demand is projected to decline 0.2 percent.

The officials put the crude steel output in the January-March period at an estimated 26.55 million tons, up 0.6 percent from the year before. The ministry initially forecast a 0.7 percent decline. However, domestic demand has been very strong so far in the quarter.

The officials projected the fiscal 1990 crude steel output at 103-104 million tons, down from an estimated 108.07 million tons in fiscal 1989 ending March 31, the third consecutive yearly decline.

Big Banks Expect To Incur Large Losses

OW2203092390 Tokyo KYODO in English 0905 GMT 22 Mar 90

[Text] Tokyo, March 22 KYODO—Japan's 13 largest commercial banks are expected to report a decline of some 360 billion yen in their combined unconsolidated pretax profit for fiscal 1989 due to their troubled Third World loans, a banker said Thursday. Kuniji Miyazaki, chairman of the Federation of Bankers' Associations of Japan, said the banks will also suffer a fall of some 70 billion yen in after-tax earnings for fiscal 1989 ending March 31. Miyazaki made the remarks at a press conference in reference to write-offs on bad loans to developing nations such as Mexico and the Philippines with which Japanese and other creditor banks have agreed on sweeping debt-relief plans.

An agreement with Mexico was signed last February, marking the first of its kind under a Third World debt-reduction strategy championed by U.S. Treasury Secretary Nicholas Brady. As a result of this and other similar agreements, the Japanese banks will write off 580 billion yen worth of loans to debtor nations and boost loan-loss reserves by 250 billion yen to be taken out of after-tax profits, Miyazaki said. Under their agreement with Mexico, the Japanese banks are to cut the principal of their outstanding loans by 35 percent as one of three options they can choose.

MITI, Ministry Set Up 'Fuzzy Logic' Lab

OW1603065390 Tokyo KYODO in English 0556 GMT 16 Mar 90

[Text] Fukuoka, March 16 KYODO—The government said Thursday it has set up the first foundation research center that will work to develop a "fuzzy" logic system for use in computers. Takeshi Yamakawa of Kyushu Institute of Technology made the announcement at a press conference held in Fukuoka City, in the northern part of Kyushu.

The Ministry of International Trade and Industry [MITI] and the Ministry of Education said scientists worldwide will be invited to participate in the project at the Fuzzy Logic Systems Institute through international exchanges. The institute will be in Iizuka City, southeast of Fukuoka, Yamakawa said. Local private companies like Aso Cement Co., Mitsui High-Tec Co. and others will invest about 100 million yen in the project, he added.

Scientists have been working for some time on the development of a "fuzzy" logic chip, which could mimic the thinking process of humans by making logical judgments based on inferences drawn from large amounts of data.

Yamakawa said the institute would publish newsletters and hold symposiums to inform representatives in industrial sectors of the importance of the technology because of its far-reaching application in such fields as transportation, medicine, and education.

Yamakawa has been appointed as director of the institute. Five administrators and six staff researchers will be selected from academic circles and industrial sectors by MITI and the Ministry of Education. The institute will hold an international conference on "fuzzy" logic theories this July. It is also planning to enter into cooperative research and development projects with universities in France, Spain, and Brazil, he said.

Hungarian Finance Minister Meets Officials

LD2103045990 Budapest MTI in English 2223 GMT 19 Mar 90

[Text] Tokyo, March 19 (MTI)—Hungarian Finance Minister Laszlo Bekesi received a promise in Tokyo for accelerating Japanese capital investments in Hungary. Due to the IMF agreement, in the first half of 1990 the new government may count on some 1,500 million dollars, including the Japanese credits, Mr Bekesi said.

In the middle of April, a 70-member delegation headed by President Kisaburo Ikeura of the Japanese Industrial Bank will come to Hungary to explore investment opportunities.

Mr Bekesi held talks with Yohei Kono, president of the Foreign Affairs Committee of the Liberal-Democratic party and president of the Japanese-Hungarian Friendship Society, and Saburo Okita, former foreign minister and member of the international advisory body to the Hungarian Government. Mr Bekesi gave an interview to ASAHI SHIMBUN. In reply to a question on the forthcoming elections, the minister said he did not expect any change in the country's economic policy since the Hungarian Socialist Party had for long been pursuing a reform policy. Changes in the budgetary policy, however, will be unavoidable, the Hungarian finance minister said.

'High-Powered' Soviet Economic Mission To Visit

OW2203103190 Tokyo KYODO in English 1004 GMT 22 Mar 90

[Text] Tokyo, March 22 KYODO—A high-powered Soviet economic survey mission will visit Japan from April 15 to 28 to pick up hints for their country's economic recovery program, Soviet diplomatic sources in Tokyo said Thursday. "The primary aim of the delegation will be to assess the Japanese Government's role in the management of the economy," said one diplomat, speaking to reporters on condition of anonymity.

The sources said that the 18-member mission, which will be assisted by the Japanese Foreign Ministry, will be headed by Anatoliy Milyukov, vice director of the Social and Economic Affairs Department of the Soviet Communist Party's Central Committee. Milyukov also headed the last such delegation, the first of its kind, which made a 10-day visit to Japan in early November and met with officials of various government ministries and agencies.

The sources said that among the four fields in which the participants will focus their studies is the Japanese Government's regulation of the economy by means of finance and credit, with a special emphasis on its experience in privatization of state enterprises. The other three areas to be looked at include the government's role in problems of scientific and technological development, the situation in small and medium industries, and labor-management relations, they said.

"We attach great significance to this mission," said one Soviet diplomat, pointing to the success of the previous mission. "In order for our economic reforms to progress more smoothly and with greater efficiency, we are studying the experiences of other countries, postwar Japan in particular," he said. The diplomat said certain aspects of the Japanese experience, but not all aspects, can serve as models for Moscow's goal to achieve a "planned market economy," or a market economy retaining a strong element of state regulation. He disagreed with remarks made by Japanese officials following the conclusion of the last mission in November that the Soviets appeared to have an exaggerated impression of the Japanese Government's role in the economy.

Japan's acceptance of the survey mission is part of its stated attempt to help Soviet President Mikhail Gorbachev's perestroyka reform program develop in a favorable direction. But Japan's ability to support the Soviet Union in its economic recovery remains frustrated by the two countries' territorial dispute over four northern islands seized by the Soviets in the days which followed Japan's surrender to the allies in World War II. Despite the recent cold war thaw, Japan continues to make the unconditional return of all the islands a precondition for full- fledged economic cooperation with Moscow.

Soviet sources said the so-called "second Milyukov mission" will also include two ministerial-level government officials—V. Senchagov, chairman of the State Committee for Prices, and I. Bortnik, first vice chairman of the State Committee for Science and Technology. Other ranking members are A. Orlov, vice chairman of the State Commission on Economic Reform, V. Rayevskiy, vice minister for finance, and B. Gavrilov, vice chairman of the State Committee on Labor Problems, the sources said. The overall level and a number of delegation participants is higher than the preceding delegation, the sources pointed out.

USSR Agrees To Permit Further Flights

OW1603092090 Tokyo KYODO in English 1504 GMT 15 Mar 90

[Text] Tokyo, March 15 KYODO—The Soviet Union agreed to permit Japanese airlines to serve three more points beyond Moscow from this summer in its three days of air transport talks which ended here Thursday, government sources said. The three points are Madrid, Stockholm, [word indistinct].

Japanese airlines would be permitted to operate a total of 35 passenger flights a week between the two countries from April, an increase of five flights from the present. The Soviet Union would be permitted to increase the number of cargo flights between the two countries by two to five a week also from April.

Watanabe Comments on Recent PRC Developments

OW1603112790 Tokyo KYODO in English 1050 GMT 16 Mar 90

[Text] Tokyo, March 16 KYODO—Japan's Deputy Foreign Minister Hisashi Owada will visit China in the first half of April for regular talks with Chinese officials, a Foreign Ministry spokesman said Friday. Owada, deputy foreign minister for political affairs, will exchange views with Chinese officials on bilateral and regional affairs, Taizo Watanabe said.

"It would be misleading to think that economic cooperation will be the major item in the meeting," Watanabe said, noting that Owada is in charge of political affairs.

Japan has suspended high-level contacts with China and frozen its 810 billion yen third loan package to China for 1990-95 in protest at the military crackdown on the prodemocracy movement in China last June. "We have not reached a conclusion to justify lifting of the ban," Watanabe said.

Japan regards recent developments in China as an indication that the nation is moving toward open-door and reform policies, Watanabe said. "Our policy is to try to encourage China as much as possible to advance more in this direction, and whenever we see some signs, we try to respond to promote dialogue step by step," the spokesman said. Watanabe cited economic policies and outside contacts as well as China's lifting of martial law in Beijing last November as examples of such reforms.

Watanabe said although Owada is a high-ranking bureaucrat, the visit does not imply a lifting of a ban on high-level contacts between the two countries. Watanabe also said Japan currently does not detect any developments in the Soviet Union which directly affect Japan and would prompt it to take initiatives for improving bilateral relations. Such an improvement is stalled due to disputes over the Soviet-occupied islands off the northernmost main island of Hokkaido.

Second Group of Chinese Boat People Deported

OW2203090890 Tokyo KYODO in English 0837 GMT 22 Mar 90

[Text] Nagasaki, March 22 KYODO—A chartered passenger ship left here for China on Thursday carrying 492 deportees in the second round of repatriation of Chinese boat people the Japanese authorities say arrived in the country posing as Vietnamese refugees. Officials, backed up by a 220-strong police guard, loaded the returnees, 450 men and 41 women, in 13 buses at the Justice Ministry's Omura Detention Center north of Nagasaki earlier Thursday and carried them to Nagasaki Port.

Among the 492 was a baby boy born in January at a hospital in Omura, who was deported with his mother. A detention house official said the father is apparently not among the returnees. However, immigration authorities count 491 as the official number of deportees this time, excluding the baby who is not regarded an illegal as he is not yet 2 months old, the age when such babies become illegal stayers under Japanese law.

The 7,889-ton vessel Chang Bai, chartered by the Chinese Government, left the port for Fuzhou, Fujian Province, in the evening. A Chinese man was seen weeping as he left the detention house. Six Japanese leftist activists near the detention center shouted protests against the forced repatriation, but no incidents were reported.

Thursday's repatriation follows a similar action on December 21, when 301 Chinese were sent back to Fujian. There are nearly 1,200 other people still detained in Japan as suspected illegal entrants from China. Immigration authorities are also processing 1,000 other boat people, and have not yet decided where they came from.

Chinese nationals began arriving on the coast of western Japan last May, posing as boat people from northern Vietnam, according to Japan's immigration authorities. The number of the boat people totaled 2,804 in 22 separate vessels. Immigration authorities at first processed them as Indochinese refugees but soon began to detain them as illegal immigrants when some of them started to confess they had come from Fujian to look for work in Japan. Some of the Chinese nationals told Japanese officials they lived in farming villages in Fujian Province but left there to seek better jobs in Japan posing as Vietnamese refugees, immigration sources said. Others said they are ethnic Chinese who had lived in Vietnam but fled to China around the time of the 1979 Sino-Vietnamese border war. Thursday's returnees include such former Vietnam residents, immigration sources said.

Japan does not recognize economically motivated arrivals as refugees. Foreign Ministry official Yoshihiro Nakajima said the ministry has been informed by Chinese sources that the deportees are only receiving "lectures" back home, instead of heavy punishment, because the Chinese authorities believe the villagers who left the country in this way were cheated by brokers who took their money and promised them a better life in Japan. The Chinese Embassy in Tokyo made no comment when asked what will happen to the returnees when they arrived back in China.

Ie-Jima Residents Plan Harrier Training Protest

OW1603033590 Naha NHK Radio in Japanese 2210 GMT 15 Mar 90

[Text] U.S. Forces will resume training of Harrier planes at Ie-jima today. The Harrier training has been suspended since a crash in January this year. The training is scheduled for three days—today, 19 March, and 22 March. Today's training will start in the afternoon on the Harrier training grounds on Ie-jima. According to the Public Information Office of the U.S. Marine Corps, the training will be in close air support of ground forces.

In the training today, two Harrier planes will fly into Ie-jima twice, each time landing and taking off again. Helicopters will also participate. The Harrier training started officially on 24 January this year, but following an accident of a Harrier off Ie-jima on 26 January, the U.S. Marine Corps announced the temporary suspension of Harrier training.

Because Harrier plane training resumed a month and a half after the accident, local Iheya-son and reformist groups of the prefecture are upset. They say that the resumption of training is impermissible because the cause of the accident has not yet been determined. The residents of Iheya-son's Nishigakai District, which lies adjacent to the training grounds, have decided to protest on the days the training is conducted.

ROK's Kim Yong-sam Meets JSP Leader Doi

OW2003055690 Tokyo KYODO in English 0459 GMT 20 Mar 90

[Text] Tokyo, March 20 KYODO—Kim Yong-sam, a coleader of South Korea's newly-formed ruling party, said Tuesday North Korea will be forced to open its doors to the world due to the current dramatic political and economic changes of the Soviet Union and East European countries. Kim, coleader of the Democratic Liberal Party (DLP), made the remark in a meeting with Takako Doi, chairwoman of Japan's largest opposition party, the Japan Socialist Party (JSP). He arrived in Tokyo on Monday on his way to the Soviet Union.

He said the economic plight of North Korea and the opening of diplomatic relations between South Korea and East European countries had posed difficulties for Pyongyang in maintaining a political system isolated from the outside world. Kim said the recent visit of Chinese Communist Party General Secretary Jiang Zemin to Pyongyang had indicated North Korea's irritation over Seoul's diplomatic drive to improve relations with the Soviet Union and East European countries. The South Korean Government established diplomatic relations with Hungary in February last year, Poland last September, and Yugoslavia last December. South Korea is also expected to open relations with Romania and Czechoslovakia this week.

Kim also told Doi Japan should grant third-generation Korean-Japanese the same legal status as Japanese citizens. He said relations between Japan and South Korea will deteriorate if the Japanese Government cannot resolve the issue.

Kim left Tokyo for Moscow for talks with Soviet leaders Tuesday. He will discuss bilateral and international problems, including the situation on the Korean Peninsula.

Nikon-ROK Entrepreneur Establish Joint Venture

OW2203095590 Tokyo KYODO in English 0923 GMT 22 Mar 90

[Text] Tokyo, March 22 KYODO—Nikon Corp. said Thursday it has established a joint venture firm in South Korea to handle sales and marketing of semiconductor-manufacturing equipment.

A Nikon official said Nikon Precision Korea Ltd. will begin operating in April. It will also provide maintenance, after-sale service and technological guidance to Korean semiconductor users of its machines, he said. The joint venture firm, located in Seoul, is capitalized at 66 million yen. Nikon Corp. will hold 51 percent share of the new company, while Korean venture capitalist Dong Hyuk-cho will own 49 percent, the official said.

This is the third sales and marketing firm set up overseas by Nikon which established Nikon Precision Europe GMBH in 1988 and Nikon Precision Inc. in 1982 in the U.S., the official said. The company expects sales to reach 870 million yen in the first year of operation, he said.

Mitsubishi Asked To Join in GDR Truck Project

OW1803114690 Tokyo KYODO in English 0846 GMT 18 Mar 90

[Text] Tokyo, March 18 KYODO—West Germany's Daimler-Benz AG has asked Mitsubishi Motors Corp. to participate in a joint project to produce trucks in East Germany, the Japanese automobile maker said Sunday. The offer is in line with a broad-ranging business cooperation agreement between the Mitsubishi group and the West German conglomerate, which was announced earlier this month, Toyoo Tate, chairman of Mitsubishi Motors, said. "The deal won't get moving at once since political conditions in East Germany are still uncertain, but it is a potential project," Tate told KYODO news service. The tender from Daimler-Benz calls upon Mitsubishi Motors to take part in a joint project for production of trucks, signed between Daimler-Benz and Ifa, an East German automaker, Tate said.

Four Mitsubishi companies—Mitsubishi Corp., Mitsubishi Heavy Industries Ltd., Mitsubishi Motors and Mitsubishi Electric Corp.—and the Daimler-Benz group did not disclose any specific potential projects when the two sides announced the conclusion of the broad-ranging business tie-up on March 6. Mitsubishi Motors and Daimler-Benz had agreed on production of Mitsubishi trucks at a Daimler-Benz assembly plant in West Germany in 1987 but the deal has been suspended. Mitsubishi Motors also shelved an East German offer in January to jointly assemble passenger cars in East Germany.

Japan Socialist Party Reveals 1990 Program

OW1703102290 Tokyo KYODO in English 0940 GMT 17 Mar 90

[Text] Tokyo, March 17 KYODO—The Japan Socialist Party (JSP), the country's main opposition party, on Saturday released its action program for 1990, calling for efforts to forge a JSP-led coalition government. The action plan, which will be presented for approval at a party convention on April 3-5, urged party members to revamp party organization, policies and campaigns.

The JSP scored big gains in last July's upper house election and February's lower house election but the ruling Liberal Democratic Party [LDP] retained its solid majority in the powerful lower house while losing a majority in the upper house.

The action program described the results of the lower house election as a "half win" as the party failed to achieve its aim of ending the LDP's one-party rule. The action program said the JSP is a social democratic party and that social democracy is now leading the international community toward the 21st century. The program said Japan's largest opposition party will proceed with consultations on the formation of the coalition government with three other opposition parties—Komeito, the Democratic Socialist Party (DSP) and the United Social Democratic Party (USDP).

The action program urged party members to build up cooperative relationships with labor unionists, environmentalists, women's movement activists and other civic groups to seek government. The action program proposed that Japan's defense budget, which it said is the world's third largest, should be frozen over the next three years.

The JSP will pursue a strict implementation of Japan's three nonnuclear principles—not to produce, possess or allow nuclear weapons into Japanese territory. The party will also strive to achieve the scrapping of U.S. military bases in Japan, the program said. However it, said the JSP will maintain the Japan-U.S. security treaty and the Japan-South Korea treaty if it comes to power, the action plan said.

The JSP will strive to eliminate money-oriented politics in Japan by submitting bills designed to tighten controls on political funds, it said.

The action program also said the JSP will continue to push for the scrapping of the 3 percent consumption tax introduced in April last year and will struggle to establish a "fair" tax system.

Airline Chiefs' Homes Attacked 21 March

OW2103235590 Tokyo KYODO in English 2341 GMT 21 Mar 90

[Text] Tokyo, March 22 KYODO—The homes of the president of All Nippon Airways (ANA) and the chairman of Japan Airlines (JAL) were targeted in suspected arson and bomb attacks early Thursday morning, police said. No casualties were reported, however.

A car exploded at the home of Akio Kondo, president of ANA, in Machida, on the southwestern outskirts of Tokyo at around 4:30 AM [211930 GMT]. A garage and a car were set ablaze at the home of Fumio Watanabe, chairman of JAL, in Kawasaki, Kanagawa Prefecture, at around 4:35 AM [211935 GMT], police said.

Police said they suspect both incidents are linked with radicals opposing the construction and expansion of New Tokyo International Airport at Narita, Chiba Prefecture.

Police Suspect Narita Radicals

OW2203075690 Tokyo KYODO in English 0713 GMT 22 Mar 90

[Text] Tokyo, March 22 KYODO—Incendiary devices which damaged property at the homes of two of Japan's top airline executives Thursday morning may have been set by members of a radical group involved in antiairport protests, police said.

Police said they suspect that opponents of the expansion of the New Tokyo International Airport in Narita, Chiba Prefecture are responsible for the predawn explosions and fires at the homes of Akio Kondo, 59, the president of All Nippon Airways (ANA) and Fumio Watanabe, 72, the chairman of Japan Airlines (JAL). No injuries to persons were reported in either incident, now being investigated by Tokyo's Metropolitan Police Department and the Kanagawa prefectural police headquarters.

In Machida, a southwestern suburb of Tokyo, ANA President Kondo reported hearing a loud explosion around 4:30 a.m. and finding his car ablaze. Kondo and his family attempted to extinguish the fire by themselves, but later called Machida firemen who put out the blaze 30 minutes later. The fire burned the front tires and engine of the car. A security guard at Kondo's home reported that he saw nothing unusual following his round at midnight. Machida police and fire investigators found wires and batteries underneath the damaged automobile and suspect that they are remnants of a timing device used to set off the explosion.

The extreme left-wing group Chukakuha (middle core faction) has claimed responsibility for recent arson attacks in which similar timing devices were used against officials connected with the expansion of the Narita Airport.

In the other incident Thursday, the car, garage, and part of an outside wall of the home in Kawasaki, Kanagawa Prefecture, of JAL Chairman Watanabe were burned following a number of explosions about 4:35 a.m. police found evidence of a timing device being used in igniting the fires.

Police said that Thursday's attacks may be connected with the arrest Tuesday of seven Chukakuha members when authorities dismantled a tower built to oppose expansion work at Narita. In February, the home of Teruzo Yoshino, the president of the Shimizu Corp., a major contractor in the Narita expansion, was also hit by an arson attack.

The Civil Aviation Bureau of the Transport Ministry notified organizations connected with the construction work at Narita, including the Air Safety Foundation and the All-Japan Airport Terminals Association, to strengthen security after a time bomb was found at the All-Japan Air Transport and Service Association offices on March 14. Police said Thursday's assaults may mark an escalation in terrorist attacks by antiairport extremists. Police and security authorities say "the guerrillas have strengthened their intent to attack individuals and we fear that this will eventually lead to victims." In previous attacks, damage has been limited to small fires without any injuries or casualties.

The extremist group Chukakuha (middle core faction) has claimed responsibility for a number of attacks against officials connected with the second phase of construction of the New Tokyo International Airport in Narita, Chiba Prefecture. Chukakuha members have joined with local farmers and citizens in their protests by building corrugated steel huts and scaffolding towers in order to obstruct progress in building a second runway for the overworked airport. Since last August, airport and police authorities have demolished 10 of the makeshift structures under a new airport security law allowing for the removal of the protesters and the huts. Despite these losses, the Chukakuha has vowed to continue its "fight without limits or restrictions."

In the last six months, they have claimed responsibility for fire bombing the homes of Chiba prefectural officials and of the president of the airport's major contractor, Shimizu Corp. In each of these attacks, incendiary devices were set off near the homes of the targeted officials in the early morning hours leading to fears that innocent members of the families may become victims. One leader of the Chukakuha, however, counters that if these officials are really concerned about their families, they should consider seriously "what they are doing to the farmers of Sanrizuka (near Narita)."

Security and police officials fear an escalation of guerrilla activities and are considering new policies to counter the early morning raids.

Mongolia

Great Hural Accepts Batmonh, Sodnom Resignations

OW2203101590 Ulaanbaatar International Service in English 0910 GMT 22 Mar 90

[Text] The Eighth Session of the People's Great Hural released Jambyn Batmonh from the post of chairman of the Presidium of the Great People's Hural and Dumaagiyn Sodnom from that of prime minister of Mongolia at their own requests.

P. Ochirbat Replaces Batmonh as Head of State

OW2103123190 Tokyo KYODO in English 1212 GMT 21 Mar 90

[Text] Ulaanbaatar, March 21 KYODO—Punsalmaagiyn Ochirbat on Wednesday succeeded Jambyn Batmonh as Mongolia's head of state, officials said.

Mongolia's national legislature, the People's Great Hural, elected Ochirbat, minister of foreign economic relations and supply, as chairman of its Presidium, a head of state post.

The legislature also elected Sharabyn Gungaadorj, a deputy premier and minister of agriculture and the food industry, as chairman of the Council of Ministers or premier, replacing Dumaagiyn Sodnom.

Batmonh and Sodnom had tendered resignations.

Last week, Batmonh and Sodnom were both dropped from the ruling Political Bureau of the People's Revolutionary (communist) Party. Gombojabyn Ochirbat replaced Batmonh as party general secretary.

New President, Prime Minister Interviewed

OW2203135990 Ulaanbaatar International Service in English 1200 GMT 22 Mar 90

[Report on station correspondent's interviews with Punsalmaagiyn Ochirbat, newly elected chairman of the People's Great Hural, and Sharabyn Gungaadorj, newly elected prime minsiter of Mongolia; date and place of interviews not given—italicized portions are recordings in Mongolian fading into English translation by the announcer]

[Text] During the parliamentary session break, our correspondent met with the newly elected chairman of the Presidium of the People's Great Hural, Mr. Ochirbat, and newly appointed Prime Minister Gungaadorj.

Asked about his immediate plans at his new post, Mr. Orchirbat says:

First of all I like to assure the Mongolian people and deputies that I strictly observe all legislative acts of our people power and devote all my energy to the welfare of the Mongol state, says Mr. Ochirbat. The first thing we should concentrate our attention on is political renewal which is the most important component of the ongoing renewal that embraces all spheres of social life in Mongolia. Hence, there is need to intensify the work on renewal of the Constitution of the country. Another thing is to well organize the elections to the People's Great Hural within a short time. Thus, after estsablishing genuine state democracy, we will start a great deal of work (?financing) the welfare of the people, says newly elected chairman of the Presidium of the People's Great Hural, Mr. Ochirbat.

And now a brief interview with the newly appointed Prime Minister of Mongolia Gungaadorj.

To the question—what will be your first action as head of the cabinet, especially in what concerns renovation of the cabinet apparatus?—Mr. Gungaadorj says:

To promote renovation we need people and personnel who share the ideas of renewal and who strongly believe in them. In the cabinet of ministers we need highly educated and skillful personnel who can be able to carry out economic reform.

And the second question put to Mr. Gungaadorj was: For quite many years you have been engaged in agriculture. What in your opinion should be done in Mongolia in the first instance in order to ensure high development in agriculture and stockbreeding?

The first thing we should begin with is improvement of living standards of rural population. Many decisions have been taken on that score, but implementation is very slow. My purpose now is to fasten implementation, says Prime Minister Gungaadorj.

[Correspondent] To a large extent, your achievements will depend on people's support. What would you say to the people?

Today we live in a complicated period in the country's life. Though the most essential thing today is to preserve national unity, a thing that everyone should be guided by is the striving to ensure the nation's prosperity. Everyone should make his or her share to it. Hero of Labor Gungaadorj said at the session that if he manages to get 600 lambs from 600 sheep, this will be his contribution to the renovation. Everyone should act and think in this way, says Prime Minister Gungaadorj.

North Korea

Committee Criticizes New Weapons Delivery

SK2103215590 Pyongyang KCNA in English 1500 GMT 21 Mar 90

[Text] Pyongyang March 21 (KCNA)—The U.S. imperialists must stop their criminal move to deliver large quantities of new types of weapons and equipment to the South Korean puppets and withdraw their occupation forces and nuclear weapons and all other aggression forces from South Korea as early as possible as unanimously demanded by our people and the world people.

The Secretariat of the Committee for the Peaceful Reunification of the Fatherland in its Information No. 562 today recalls that the U.S. Defence Department March 16 informed Congress of its plan to deliver to the South Korean puppets 21 Sparrow missiles and a guided-missile launching system to be installed in South Korean destroyers of a new type.

It is part of the U.S. imperialists' criminal moves to equip the puppet army with up-to-date military hardware and use them as a shock brigade in a war against the North, the information said, and went on:

The abovesaid 21 Sparrow missiles account for about 10 percent of the Sparrow missiles which the puppets have now. It is a very dangerous military move to increase the strike rate of the puppet navy.

It is a deliberate criminal move to incite war fever to fight against the North among their stooges and aggravate tensions on the Korean peninsula that the U.S. imperialists announced the plan to supply missiles to the South Korean puppets, timing to coincide with the adventurous "Team Spirit 90" joint military exercises which have entered a stage of full scale offensive.

Statement Distributed at Disarmament Meeting

SK1203053090 Pyongyang KCNA in English 0521 GMT 22 Mar 90

[Text] Pyongyang March 22 (KCNA)—The statement of the Foreign Ministry of the Democratic People's Republic of Korea released on March 5 in connection with the issue of disarmamant was distributed as an official information document of the Secretariat of the Geneva Disarmament Conference to 40 odd member nations and 33 observer nations on March 12.

Premier Sends Message to Southern Counterpart

SK2203033690 Pyongyang Domestic Service in Korean 0300 GMT 22 Mar 90

[Text] The premier of the DPRK State Administration Council sent a telephone message today to the prime minister of South Korea.

The message reads:

To Kang Yong-hun, prime minister of the ROK:

Authorized by the consultative council of the representatives of the government and political parties of the DPRK, I will send two liaison personnel to the conference room of the Neutral Nations Supervisory Commission at Panmunjom at 1500 on 23 March, Friday, to deliver to you letters which were adopted by the consultative council, and which are addressed to the heads of the South Korean authorities and the leaders of the South Korean political parties.

I hope that your side will take corresponding steps.

[Signed] Yon Hyong-muk, premier of the DPRK State Administration Council

[Dated] 22 March 1990

Comparison—Demand for Clarification on Tunnel

SK2103043590

Pyongyang Domestic Service in Korean at 1100 GMT on 21 March carries a four-minute report on a telephone message from Major General Choe Ui-ung, the senior member of the DPRK side to the Military Armistice Commission [MAC], to his U.S. counterpart concerning a joint investigation of the fourth tunnel. This version has been compared with the KCNA version published in the 20 March East Asia DAILY REPORT, beginning on page 8, under the headline "MAC Member Demands Clarifications on Tunnel," revealing the following variations:

Page 8, column one, paragraph eight, only sentence in Pyongyang Domestic Service reads: [Text] At the 455th meeting of the Military Armistice Commission [MAC] held on 14 March, I strongly demanded that a large fact-finding group consisting of 60 people—that is, officials concerned of the Korean-Chinese side to the MAC, including me and members of the joint observer team, experts for the investigation into the tunnel and journalists, as well as a certain number of assistants—be allowed immediately to go by four helicopters of ours to the place where you claim the so-called fourth tunnel is located and carry out the investigation on the spot.

You avoided a... (deleting first two paragraphs, and deleting "Choe Ui-ung noted, adding:")

Page 9, column one, second paragraph, only sentence in Pyongyang Domestic Service reads: ...brought to light.

I ask you to come out to a meeting of the MAC and clarify in a responsible manner your official position on the dispatch of a large fact-finding group to the spot of the so-called fourth underground tunnel. You should do this because it was proposed by our side at the meeting of the MAC, and because the senior members of both sides are duty-bound to solve the problem. (adding final paragraph)

South Reunification Minister's Speech Denounced

SK2203055090 Pyongyang KCNA in English 0538 GMT 22 Mar 90

[Text] Pyongyang March 22 (KCNA)—The new South Korean "minister of the Unification Board" told his "first press interview" on March 19 that "precautions must be taken against reckless debate on reunification," "it is now a stage of exchange and cooperation" and "reunification must be backed with a 'national power' capable of achieving it."

This is the topic of press commentaries here today, which brand the outbursts of the "unification board minister" as a manifestation of the fascist junta's intention to restrict the people's debate on reunification and abuse "dialogue" for the creation of "two Koreas" on the basis of their separatist "stage-by-stage" formula.

Noting that he, only talked about "exchange and cooperation," failing to mention a word about the fundamental questions of reunification, such as removing North-South distrust and confrontation through dialogue and negotiation and ending the occupation of South Korea by the U.S. imperialist aggression forces, the commentary of NODONG SINMUN denounces this as an anti-reunification jargon revealing the intention to continually follow the separatist policy.

The puppet's argument that reunification must be "backed with a national power" and "there must be changes in the system" of the North apparently means achieving "reunification by prevailing over communism" by force of arms, not by peaceful means, the commentary says, and goes on:

The puppet also blared that neighbouring countries should provide "positive factors" of reunification. This is, in essence, a criminal jargon meant to create "two Koreas" by getting "recognition" of neighbouring nations.

The anti-reunification outbursts of the "unification board minister" clearly prove that the recent "Cabinet shakeup" by the puppets was part of their criminal moves to consolidate the foundation for the traitor No Tae-u's dictatorship and maintain and strengthen the system of confrontation and division, stresses the commentary.

Minju choson in a commentary says if the No group is interested in reunification at all, it must show its intention for reunification by pulling down the concrete wall built in the area South of the Military Demarcation Line.

South Rulers 'Fabricate False Incidents'

SK2103102090 Pyongyang KCNA in English 1014 GMT 21 Mar 90

["Fabrication Is Old Game of South Korean Rulers"—KCNA headline]

[Text] Pyongyang March 21 (KCNA)—It has been a habitual method of the successive South Korean rulers to fabricate false "incidents" and launch into an anti-communist confrontation racket each time they were landed in a helpless crisis in their rule, in a bid to bridge it over, says NODONG SINMUN today.

The paper cites facts to prove that the "tunnel" incidents faked up by the South Korean rulers up until now were all dramas intended to keep the U.S. imperialist aggressors in South Korea and shore up their tottering dictatorial system by spreading rumors about "threat from the North."

The "fourth tunnel" incident, the latest fiction, over which the South Korean puppets are raising a hue and cry, is aimed at shocking the public opinion and thereby delivering themselves out of the passive position surrounding the question of pulling down the wall, diverting the South Korean people's attention to oppose us and defusing the crisis of their rule.

It was when they were facing an intractable crisis, isolated within and without, that the Pak Chong-hui clique invented the "first tunnel" incident on November 15, 1974. At that time, the puppets stooped to this infamy in an effort to appease the people's anti-"government" struggle and prevent the adoption at the U.N. General Assembly of a resolution on the withdrawal of all foreign troops present in South Korea under the U.N. flag.

The "second tunnel" incident on March 20, 1975 and the "third tunnel" incident in October 1978 were also fabrications motivated by similar political ends.

The U.S. imperialists and the South Korean puppets this time rejected a full-scale and objective joint investigation into the "fourth tunnel" incident and thus admitted by themselves that the "tunnel" incidents of the past as well as the recent one were fakes.

Beside the "tunnel" incidents, the successive South Korean rulers have fabricated many cases such as a "shooting incident," "east sea incident," "west sea incident" and "spy-ring cases" and raised terrific outcries over the "threat from the North" and "communization."

Whatever incidents the South Korean puppets may fabricate, they can fool nobody.

WPK Greets Lao People's Revolutionary Party

SK2103104290 Pyongyang KCNA in English 1037 GMT 21 Mar 90

[Text] Pyongyang March 21 (KCNA)—The Central Committee of the Workers' Party of Korea [WPK] today sent a message of greetings to the Central Committee of the Lao People's Revolutionary Party on the occasion of the 35th anniversary of the founding of the party.

The message said that today the fraternal Lao people are making a great progress in the struggle to strengthen and develop the people's democratic system and successfully build socialism under the correct leadership of the Lao People's Revolutionary Party led by Comrade Kaysone Phomvihan.

Expressing the belief that the friendly and cooperative relations between the two parties and peoples will grow stronger and develop, the message wishes the party and the people greater success in their struggle for the victory of cause of socialism and communism.

News Briefings Held in Soviet Embassy 20 Mar

SK2003215390 Pyongyang KCNA in English 1513 GMT 20 Mar 90

[Text] Pyongyang March 20 (KCNA)—A news briefing was given to reporters of the host and other countries at the Soviet Embassy here on March 20.

Charge d'Affaires ad Interim of the Soviet Embassy Boris Morozov informed the reporters of the results of the recently held plenary meeting of the Central Committee of the Communist Party of the Soviet Union and the 3rd Special Congress of People's Deputies of the Soviet Union.

He answered questions put by reporters.

Cuban Official Sends Message of Solidarity

SK2003042990 Pyongyang KCNA in English 0413 GMT 20 Mar 90

[Text] Pyongyang March 20 (KCNA)—Juan Escalona Reguera, president of the National Assembly of People's Power of Cuba, in a message to Chairman of the Standing Committee of the Supreme People's Assembly Yang Hyong-sop expresses firm solidarity with the Korean people in their struggle against the U.S. imperialists and the South Korean puppet clique which are staging the "Team Spirit-90" joint military exercises and aggravating the situation in the Asian region.

The message says:

We support the stand of the Government of the Democratic People's Republic of Korea to accomplish the noble cause of peace and reunification of the Korean peninsula through negotiation and dialogue.

The deputies to the National Assembly of People's Power of the Republic of Cuba support the just cause of the DPRK Government and the Korean people who are struggling to have the U.S. troops withdrawn from South Korea, realise national reunification and achieve durable peace in Asia.

The DPRK is not alone and it will always enjoy support of militant solidarity from the Cuban people.

Zambian Leader Supports Reunification Plan

SK2103043090 Pyongyang KCNA in English 0428 GMT 21 Mar 90

[Text] Pyongyang March 21 (KCNA)—Zambian President Kenneth David Kaunda supported the Korean people's cause of national reunification at the fifth national meeting of the United National Independence Party of Zambia held in Lusaka on March 14.

Speaking of the Korean reunification question in his opening address, he held that the concrete wall keeping the Korean nation divided should be pulled down as early as possible.

Saying that Zambia will continue making efforts for the independent and peaceful reunification of the Korean peninsula in accordance with the proposal advanced by President Kim Il-song of the Democratic People's Republic of Korea, he expressed the belief that Korea will be reunified sooner or later.

Head of Asian-African Group Arrives 20 Mar

SK2103044290 Pyongyang KCNA in English 0438 GMT 21 Mar 90

[Text] Pyongyang March 21 (KCNA)—Frank X. Njenga, secretary general of the Asian-African Legal Consultative Committee, and his party arrived here on March 20 by plane.

End to Apartheid Urged on Anti-Racism Day

Committee Sends ANC Message

SK2003215490 Pyongyang KCNA in English 1515 GMT 20 Mar 90

[Text] Pyongyang March 20 (KCNA)—The Korean Committee Against Apartheid sent a message of solidarity Monday to the African National Congress [ANC] of South Africa on the "International Day for Terminating Racial Discrimination."

The message strongly demanded that the South African authorities lift the state of emergency and abolish anachronistic apartheid at once.

Yielding to the protracted resolute struggle of the ANC and the South African people and the strong pressure of the world's progressive people, the South African authorities took a step of ensuring the legal activities of your congress and other anti-racist organisations and releasing Comrade Nelson Mandela who had been illegally kept in jail for 28 years, the message said, and stressed: This is a common victory of the South African people and progressive mankind.

The Korean people will, in the future, too, as in the past, stand firm on the side of the South African people who are fighting for freedom and liberation against racism and extend full support and solidarity to their just struggle.

Dailies Assail South Africa

SK2103052290 Pyongyang KCNA in English 0501 GMT 21 Mar 90

[Text] Pyongyang March 21 (KCNA)—Papers here dedicate signed articles to the "International Day for Terminating Racial Discrimination."

On the occasion of the day, the Korean people extend militant greetings and firm solidarity to the African National Congress [ANC] of South Africa and the South African people in their vigorous anti-racist struggle, MINJU CHOSON says, and continues:

In the past, the South African people have dynamically waged the armed struggle and other forms of struggle against the racists' apartheid and brutal suppression of black people under the leadership of the ANC.

It was thanks to the protracted bloody struggle that in February last, activities of the ANC and other anti-racist organisations have been legalized and Nelson Mandela, a staunch anti-racist fighter who was sentenced to life imprisonment, was released from jail.

This is a brilliant victory of the struggle of the South African people to liquidate racism and win democratic freedom and rights.

In recent period, the South African racist regime is making a noise as if there was any change in its apartheid. But this is nothing but an ulterior move to weaken the anti-racist struggle of the people which is gaining momentum.

The Korean people sincerely wish the South African people greater progress in their struggle to put an end to racism.

Daily Newspapers Hail Namibian Independence

SK2203061090 Pyongyang KCNA in English 0548 GMT 22 Mar 90

[Text] Pyongyang March 22 (KCNA)—NODONG SINMUN today hails the proclamation of the independence of Namibia.

The independence of Namibia is a significant event on the African continent and in the history of the Namibian people, says a signed article of the paper, and continues:

With the independence of Namibia, its people have set out on the road of independent development to take their destiny into their own hands and shape it with their own efforts and the decolonization of the African continent has been realized.

It is a great jubilee of the Namibian and other African peoples and a common joy of the world's progressive people who cherish national independence and sovereignty.

The Korean people warmly hail the independence of Namibia and extend friendly greetings to its people on this auspicious day.

Namibia's independence clearly proves once again the truth of history that no force on earth can block the desire of the people for independence and sovereignty and that the cause of justice is bound to emerge victorious, and shows once again the width and depth of the course of the development of our times.

The DPRK Government has decided to recognize the Republic of Namibia.

The Korean people will strive to further consolidate the bonds of friendship with the Namibian people and positively support their just cause in the future, too.

The Korean people firmly believe that the Namibian people under the leadership of President Sam Nujoma will register a great success in the efforts to liquidate the consequences of the colonial rule and racist policy and achieve an independent development of the country.

Agitators, Five-Household Propagandists Meet

SK2203042690 Pyongyang Domestic Service in Korean 2200 GMT 21 Mar 90

[Excerpts] A national meeting of agitators and five-household propagandists opened in Pyongyang on 21 March. [passage omitted]

Comrade Yi Chong-ok, member of the Political Bureau of the Central Committee of the Worker's Party of Korea [WPK] and vice president; Comrade Chong Chun-ki, alternate member of the Political Bureau of the WPK Central Committee and vice premier of the State Administration Council; Comrade Choe Tae-pok, secretary of the party Central Committee, and personages concerned including Kim Ki-nam, Hyon Chun-kuk and Kim Yong-hak attended the meeting together with exemplary agitators and five-household propagandists across the country. [passage omitted]

Increase in Iron, Steel Output Reported

SK2103101990 Pyongyang KCNA in English 1010 GMT 21 Mar 90

[Text] Pyongyang March 21 (KCNA)—A dynamic drive for increased production is going on at the iron and steel works of Korea.

According to figures available at the Production Guidance Bureau of the Ministry of Metal Industry, the output of rolled steel has steadily increased entering this year. It showed a 60 percent jump in February above January and a 30 percent rise in the first 20 days of March above the corresponding time of February.

The Chollima steel complex is the pace-setter in the increased production drive.

The steel makers of the complex are topping their daily quotas for rolled steel by 600 to 700 tons by making strenuous efforts to increase production in the spirit with which 120,000 tons of rolled steel were produced at a blooming mill with a 60,000 ton capacity in the postwar period of the great Chollima upsurge (1957).

The Kim Chaek iron and steel complex which takes the biggest share in the nation's production of irons and steels is surpassing its daily assignments for rolled steel by 1,500 tons by introducing various technical renovation proposals into the production processes.

The iron and steel output is on the increase at the Hwanghae iron and steel complex and the Songjin steel complex, too.

* 1990's Agricultural Construction Rally Held

902C0128A Pyongyang NODONG SINMUN in Korean 13 Jan 90 pp 1, 3

[Article: "Let Us Brilliantly Adorn the 1990's as the Decade in Which the Program for Socialist Rural Construction Has Been Completely Implemented—Report on the Third-Day Session of the National Agricultural Conference"]

[Text] Pyongyang, 12 January (KCNA)—The third-day session of the national agricultural conference was held on 12 January.

Debate continued at the session.

Speakers pointed out that at a time when the whole country is boiling with a new revolutionary upsurge upholding the great leader Comrade Kim Il-song's New Year's message and the decisions of he 17th Plenum of the Sixth WPK [Workers' Party of Korea] Central Committee, the national agricultural conference is in session to discuss tasks to consolidate the brilliant successes made in socialist rural construction and agricultural production and bring about a new turnaround in every field of agricultural production through a thoroughgoing implementation of the theses on the agrarian question. They discussed the task to brilliantly adorn the hope-filled 1990's as the decade in which the program for socialist rural construction has been completely implemented, by waging a vigorous struggle brimming with faith in victory and with revolutionary optimism.

Speakers unanimously stressed that all the successes made in socialist rural construction and agricultural production last year, the year marking the 25th anniversary of the release of the theses on the socialist agrarian question, were the fruition of the sagacious leadership of the respected and beloved leader Comrade Kim Il-song and the party, and convincingly attest to the superiority of the socialist rural economic system in our country and the great vitality of the theses on the agrarian question.

The great leader Comrade Kim Il-song taught as follows: "This year, in the rural economic sector, we should fulfill the agricultural production goal set by the party without fail by completing the irrigation program at a still higher level, vigorously pushing planning and chemicalization, and doing farm work on a scientific and technological basis in accordance with the demands of the chuche-oriented agricultural method." [No bibliographic reference is given]

Speakers expressed their determination to fulfill the agricultural production goals set for this year by the party without fail by giving fuller play to the revolutionary spirit of self-reliance and fortitude with the same fighting spirit and zeal that was displayed during the period of a chollima upswing and by completing the irrigation program at a still higher stage, by pushing mechanization and chemicalization vigorously, and by implementing the chuche-oriented agricultural method thoroughly.

The first speaker was An Kum-hui, managerial chairwoman of Chongsan Cooperative Farm in Kangso County, who spoke of the infinite honor and emotion she felt when she took part in the national agricultural conference and was in the picture taken with the great leader Comrade Kim Il-song to mark the conference and received programmatic teaching from the great leader.

She pointed out that they had a bumper crop on the Chongsan Plain as elsewhere, and her farm overfulfilled its production plans by 10.7 percent in food grain with the per chongbo wet-field rice yield of nine tons 200 kilograms, by 20 percent in vegetables, 13 percent in fruit, and by two and three percent in meat and cocoons, respectively. She stressed that this proud success was a precious fruit of none other than the great Chongsan-ri spirit and the Chongsan-ri method and the chuche-oriented agricultural method.

She mentioned that in February 1960 the great leader visited Chongsan-ri to introduce the great mass guidance method, namely, the Chongsan-ri spirit and the Chongsan-ri method, and day after day during his visit, the great leader unfolded a rural construction plan for mechanizing all farm work in the farm.

She also pointed that the dear Comrade Kim Chong-il, who is bringing the great leader's rural construction plan into full bloom, provided her farm with all conditions and possibilities for overall mechanization, stating that the people of Chongsan-ri should set an example in realizing the overall mechanization of the rural economy. She also said that in May 1971, the dear Comrade Kim Chong-il visited her farm, where he transplanted rice seedlings with the farmers, making the significant statement that when spring comes to Chongsan-ri, spring will come to the whole country, and when the Chongsan-ri Plain has a bumper crop, the whole country can also have a bumper crop.

She explained how by upholding the lofty intentions of the great leader and our party and by setting the masses in motion in accordance with the demands of the Chongsan-ri spirit and the Chongsan-ri method, her farm introduced over 1,800 technical innovation suggestions, devised 13 new farm machines in a short period of time with the help of scientists and engineers, and remodeled and effectively utilized existing farm machines, thereby mechanizing farm work. She also mentioned how the farm's entire 100-men or more base-level functionaries, from the village party committee members and managerial functionaries down to work team and sub-workteam leaders, learned skills of operating and repairing farm machines and took charge of a certain number of farm members to improve the standards of their technical skills.

She said that by accelerating the overall mechanization of the agricultural economy, her farm produced more food grain last year than in the preceding year while working more easily with a smaller manpower and insuring a cultured life for the farm members even in the busy farming season.

That is why, she said, the richer harvest the people of Chongsan-ri gather in through mechanized faming, the stronger becomes their desire to meet the respected and beloved leader. She explained brimming with emotion how taking note of the earnest feelings of her farm members, the great leader again visited Chongsan-ri Cooperative Farm last October and highly appraised the excellent farm work done by her farmers, each of whom tills many chongbo of paddies.

She declared that upholding the great leader's programmatic teachings contained in his New Year's message and in his address to the 17th Plenum of the Sixth WPK Central Committee, she will lead the masses by carrying our political work among the farm members on a priority basis and by setting personal examples and step up the overall mechanization of farm work and implement the chuche-oriented agricultural method, thereby actively contributing to glorifying this significant year, the year marking the 45th anniversary of the liberation of the fatherland and the 30th anniversary of the establishment of the Chongsan-ri spirit and the Chongsan-ri method, with a bumper crop.

Kim Kum-ok, managerial chairwoman of Ipsok Cooperative Farm Management Committee in Mundok County explained how her farm produced nine tons 20 kilograms of food grain per chongbo last year by establishing a scientific system of fertilization and improving the fertility of the soil, thereby brilliantly implementing the great leader's on-the-spot instruction to become a farm producing 10,000-tons of food grain a year.

She pointed out that the great leader visited Ipsok Cooperative Farm as many as 17 times from the first days of building a new fatherland till now, showing the road that the farm should follow, as well as a clear direction and method for doing farm work on a scientific and technological basis.

She explained how last year her farm improved the soil condition of low-yielding paddies and acidic land and increased the fertility of the field by waging a struggle to spread 30 tons of base manure per chongbo.

She said that experience shows that establishing a correct system of fertilization, as well as increasing the fertility of the soil, was important, and that last year her farm timed the application of adjustment manure and manure for the growth of ears with the plants' growing stages, thereby drastically increasing the number of grains in each ear and the weight of each 1,000 grains.

In addition, pointing out that one of the important factors in increasing the grain yield was that primary attention was paid to cutting off irrigation water in the intermediate growth period, she said that her farm set the timing for water cut-off in a scientific manner by beginning with cutting off irrigation water to paddies submerged under water for long, such as low-lying wet land and soggy fields, thereby enabling the rice plants to develop their roots well and rice stems to become sturdier so that they might withstand storms.

She said that through last year's farming experience she felt evermore keenly that the principle set forth by the great leader of maintaining the ratio of nitrogenous fertilizers to the food grain yield at 1:10 was very valid, and came to be convinced that it would be possible to attain a high yield if the farm increased the fertility of the soil, established the right system of fertilization, and carried out the fertilization and cultivation of crops on a scientific and technological basis.

She stressed that the success achieved in farming last year was entirely the result of the sagacious leadership of the party and the leader, yet our party showed its profound solicitude to Ipsok Farm by building an additional 1,000 silicate-brick housing units on our farm, saying that it would spare nothing for a farm which did an excellent farm work and brought joy to the great leader.

She said that through last year's success in farming and today's happiness, she felt warmly in the depth of her heart what a good system the socialist rural economic system in our country is. It is a system which has given prominence to the farmers as masters of the country and under which the state has a unitary grasp and control of the rural economy and it gives definite preference to material logistic support and guidance based on science and technology. She then expressed her determination to do better paddy farming and produce more than 11 tons of rice per chongbo.

Yu Sun-ae, leader of the 11h Work Team of Yangdam Cooperative Farm in Unchon County, began by saying that she was speaking from the same high rostrum where her father had stood 10 years ago. At that time, she said, my father speaking before the national agricultural conference held in the presence of the great leader, reported that upholding the leader's on-the-spot instruction to combine farming with animal husbandry, the hog-fattening sub-work team of his work team had produced 15 tons of pork. But, she said, now as she stood at the rostrum in place of her father, feeling pride in having produced 30 tons of meat, she felt all the more deeply in her heart the wise leadership and tender love of the respected and beloved leader and the party.

She explained how her work team waged a vigorous struggle to increase the production of protein feed and raise hogs in accordance with scientific and technological theories, in order to implement the on-the-spot teachings given by the great leader when he visited her work team, a low-level unit.

She said that first, to solve problems about protein feed, her work team reclaimed a hillock to plant beans, and planted nongrain feed plants such as beans, potatoes, gourds, and amaranths on the roadside, and through a concentrated mobilization of manpower and machines in the right season each year, planted barley as the before-crop and radishes as the after-crop in the corn fields, and in addition, produced 15 tons of protein-rich feed grass and 110 tons of juicy feed from the fields reclaimed by its own efforts.

Referring to the experience of her work team in effectively utilizing the oil cake and fish by-products it obtained, she said that the work team drew up a feeding chart and prepared the feed in accordance with the principle of maintaining the percentage of the protein content in the diet at between 14 and 16 percent and stimulated the fattening of hogs by feeding the feed prepared this way.

On the other hand, she said, her work team maintained people with a sense of responsibility and with experience in hog raising on the fixed supervisor's job to have them take care of the hogs in accordance with the dietary and biological characteristics of the hogs and on a scientific and technological basis. As a result, she added, all the 380 piglets born last year were raised without a single death among them.

In addition, she said, the large quantity of manure generated in the pig pens was applied to the fields, resulting in an increase in feed production.

She said that given this success, she can confidently declare that when farming and animal husbandry are combined in accordance with the party policy, it is possible to simultaneously increase the output of food grain and meat.

She referred to the fact that under the immense trust and solicitude of the party and the leader, she became a Supreme People's Assembly deputy and the leader of her hog-fattening sub-work team has been raised as a meritorious breeder. She renewed her firm determination to devote all her youth to producing more meat in order to repay this great favor.

Yi Wi-hyong, chief engineer at Unha Cooperative Farm in Unjon County, stressed the fact that last November the great leader Comrade Kim Il-song highly appraised the excellent farm work done by Unha Cooperative Farm without receiving any labor support and gave his teaching on widely launching the Unha Cooperative Farm movement to popularize the experience of the farm.

The chief engineer introduced the experience of his farm in producing a high yield of more than 8 tons of rice per chongbo each year. This farm is located in a plains area, and achieved this yield with its own resources in accordance with the chuche-oriented agricultural method, and without receiving any outside labor support for the past 13 years.

He described how his farm stepped up indoctrination in the chuche ideology and used various methods to conduct political work among the farm members so that they would have a higher degree of awareness as masters of the country and masters of the farm, while vigorously waging a struggle to improve the mechanization level of farm work.

He said that his farm surveyed all its cultivated plots and kept tabs on them, and vigorously pushed a land readjustment project. In this way, in slightly over three years, it was able to turn all the arable land into plots which were suitable for mechanization, and by stepping up the work to effectively utilize various farm machines, the farm has endeavored for the last several years to see to it that the tractors and all other farm machines were operated at 100-percent efficiency. By devising and introducing many new efficient farm machines, the farm mechanized various toilsome and labor-consuming farm operations, thereby achieving an overall mechanization of the farm work.

In addition, he said that his farm organized farm operations well in a planned manner, and resolved the strain in labor supply by moving up as much as possible any farming process that could be changed from the farm operations carried out in the most labor-intensive season, such as sowing in the seedling beds, transplanting, and threshing. Farm members were cared for in a responsible manner so that every one of them might devote all their might to farm work.

He said that in the process of doing farm work by its own efforts and managing the economy of the farm according to the party's intention, the farm members have realized the fine communist customs of helping and leading one another, and the superiority of the socialist collective management system is being brought into play to the fullest. He stressed that this is a clear and convincing testimony to the sagacity and vitality of the leadership of our party, which presented the slogan "each plot on the farm is my plot," and has energetically led the farmers to wage a vigorous campaign to do farm work in the countryside by their own efforts.

He expressed his determination that, while cherishing deep in his heart the pride in and the sense of responsibility for becoming the pioneer of the Unha Cooperative movement thanks to the immense trust of the party, his farm shall, more immediately, accelerate the irrigation channel construction project, and spread more than 20 tons of self-sufficient manure and 2 tons of deacidificating manure [hukbosan piryo] in each chongbo of the field. This will enable them to produce over 10 tons of rice and over nine tons of corn per chongbo this year, and demonstrate the superiority of the socialist rural economic system all the more powerfully.

Yi Chol-nam, manager of the state-run Pyongyang Fruit Farm, noting that last year his farm had a bumper crop of fruit with an average yield of 20 tons per chongbo, stated that this proud achievement represented the brilliant fruition of the sagacious leadership of the great leader and the party.

He stressed that the great leader dropped by on his way back from the frontline during the war and selected the site of the Pyongyang fruit farm and clearly showed the path for the farm to follow, and that the dear Comrade Kim Chong-il has led the farm workers to increase fruit production by carrying out proper fertilization and cultivation to suit the level of development of horticulture.

Noting that the important factor which enabled his farm to have a bumper fruit crop was above all the right scientific system of fertilization established precisely as instructed by the great leader, the manager said that his farm put 60 tons of manure in each chongbo of manure by seeking out all its resources and took various other measures including the introduction of in-depth fertilization and a spraying system.

At the same time, he said, in order that each tree might produce a maximum yield, the farm carried out a proper branch-bending work and pollination and increased the pollination and fertilization rates, thereby enabling each tree to bear a large number of fruit, and by thoroughly preventing insect and blight damage, increased the percentage of fine fruit to the total yield.

Noting that through life experience he came to realize that the guarantee for winning all victories lies on the road of going forward to uphold the leadership of the party, he declared that his farm would produce more than 25 tons of apples and over 40 tons of pears per chongbo by giving full play to the superiority of the scientific system of fertilization and by thoroughly establishing an irrigation network in every orchard.

To Chong-kun, leader of the Third Vegetable Production Work Team of Oryu Cooperative Farm in the Sadong District, Pyongyang, said that through triple-crop farming, last year's vegetable production plan was overfulfilled by 55.6 percent at the work team level and by 21 percent at the cooperative level.

He referred to the fact that by upholding the great leader's on-the-spot teaching on increasing vegetable production through multiple-crop farming by means of improving the muddy soil and introducing a spray system, his farm made its fields more fertile by spreading more than 30,000 tons of coal ash on the vegetable fields over the past 15 years and by spreading more than 1 ton of slaked lime each year, in addition to 20 tons of good manure prepared by each farm household.

Noting that for the purpose of increasing vegetable production, his work team introduced a multiple-crop cultivation system while increasing the fertility of the soil, he said that by working out a detailed three-crop vegetable cultivation plan and insuring a proper timing for cultivation, his work team last year produced 120 tons of spring cabbage as the first crop, 60 tons of hard-leaf Chinese cabbage as the second crop, and 129 tons of kimchi cabbage as the third crop—a total of 309 tons of cabbages per chongbo last year. In addition, he added, the production of other vegetables, such as cucumbers, spinach, and egg plants also drastically increased.

He also explained how his cooperative farm produced a total of more than 5,000 tons of radishes, or 50 tons per chongbo, from the field which used to lie fallow for several months, by planting radishes in the furrows of the cornfield 10 days prior to the corn harvest and gathering in the corn after the radishes shot forth sprouts. He also mentioned that his work team grew vegetables on a steady basis by organizing work designed to prevent blight damage in a planned manner.

He then stressed that the multiple-crop vegetable cultivation method as enunciated by the great leader is our own superb way of growing vegetables which enable us to attain a maximum yield from a minimum acreage through the three-dimensional utilization of land.

Expressing his determination to bring about a new innovation in vegetable production this year by upholding the party's militant call for increasing and economizing to the fullest possible extent, he declared that this year his farm will produce 7,000 tons more vegetables than it did last year, with each work team producing more than 300 tons of vegetables per chongbo, particularly by increasing the acreage for triple-crop and quadruple-crop cultivation, by preparing good manure in large quantities all the year round, and by increasing the utilization of the spraying system.

Pak Yong-ho, responsible secretary of the Sonbong County Party Committee, said that last year, which marked the 25th anniversary of the release of the great thesis on the socialist agrarian question, the Sonbong County General Farm had the greatest bumper crop in recent years, thereby adding luster to the 30th anniversary of the establishment of his farm.

He noted that the Sonbong County General Farm—which was created as a model farm for the county-level system of ownership by all the people under the sagacious leadership of the great leader and our party—increased food grain production 7.5 times, meat production 7.3 times, milk production 96.5 times, and fishery production 3.2 times last year compared with the output in the years immediately following its establishment, and that it met the financial needs of the county with its income and paid a large sum of money into the state treasury.

He stressed that this change in Sonbong, which was formerly the poorest area in the whole country, is a powerful testimony to the superiority of the general farms under the county-level system of ownership by all the people.

He explained how under the stepped up guidance by the county party committee designed to give full play to the superiority of the system of ownership by all the people, his farm turned thousands of chongbo of soggy land into large plots of arable land measuring up to the required standards, and transported thousands of tons of carbide ash by 200-ton class boats it had built on its own, and spread it on 2,000 chongbo of land.

He also pointed out that by organizing a solid technical collective with able engineers and technicians in the county and by stepping up guidance to them, his farm encouraged them to build a large number of farm machines on their own and to drastically increase the rate of mechanization in farm work, thereby raising grain production by each farm member to a higher level.

He pointed out that the superiority of general farms manifests itself more distinctly in accelerating human remodeling and drastically changing the ideological and mental features of the workers. He spoke about how the county party committee, by stepping up the indoctrination of party members in collectivism, particularly by putting efforts into indoctrination through the immortal revolutionary artifacts in Sonbong, made them play a vanguard role in implementing the respected and beloved leader's vision of rural construction.

He stressed that Sonbong, where the superiority of the county-level system of ownership by all the people is being given full scope, has been turned into a paradise which is good to live in and which is vigorously demonstrating the superiority of the rural economic system under the raised banner of socialism, the banner of three revolutions, after having completely eliminated the vestiges of its former image as an out-of-the-way place.

He said that upholding the great leader Comrade Kim Il-song's teachings contained in his 1990 New Year's message, and in the congratulatory remarks he made when he met participants in the current national agricultural conference, and in the WPK Central Committee's congratulatory message to this conference, he would actively contribute to hastening the complete implementation of the great theses on the agrarian question by stepping up partywide guidance in the management and operation of the farms.

Mun Chang-su, managerial chairman of Ponghung Cooperative Farm in Kumya County, said that last year his farm produced eight tons 47 kilograms of wet-field rice and nine tons 378 kilograms of corn per chongbo and overfulfilled its state-assigned production plans in all indices, including food grain, meat, eggs, vegetables, fruit, and cocoons, by overcoming the cold weather damage. Through this achievement, he came to believe all the more firmly that even under the adverse natural and climatic conditions on the east coast, it is possible to achieve good results in farm production if farm work is done in accordance with the chuche-oriented agricultural method.

He stressed that in the past period the great leader visited South Hamgyong Province dozens of times. On each occasion he gave programmatic instructions which should be adhered to in farming in the east coast area, a low-temperature area frequently covered by dense fog, and he looked after the farmers in this area with meticulous care so that they might achieve good results in farming.

Mun said that last year, upholding the teachings of the great leader and the intentions of the party, his farm waged a bold and daring struggle to improve the soil and increase its fertility. All the farm work was done on a scientific and technological basis, which included raising sturdy rice seedlings and increasing the temperature of the paddies, to suit the geographical characteristics of the low-temperature, low-lying area, thereby achieving an unprecedented rich harvest.

Recalling with pride the fact that the great leader visited his farm twice last year to check on the crop condition and on each visit noted with satisfaction the drastically increased rice output, the managerial chairman expressed a firm determination to bring about another upswing in agricultural production with the same spirit and vigor displayed in the great chollima upswing period by upholding the militant tasks outlined by the respected and beloved leader Comrade Kim Il-song in his New Year's message and during the 17th Plenum of the Sixth WPK Central Committee.

The chairman said that this year his farm would turn all its plots into fertile paddies by carrying out a large-scale soil rebuilding work and increase the rice and corn yield to more than 10 and 12 tons per chongbo, respectively, by accelerating the industrialization and modernization of agriculture, thereby once again demonstrating the validity and vitality of the chuche-oriented agricultural method.

Kim Ho-sok, managerial chairman of Haksan Cooperative Farm in the Hyongjesan District, noted that last year his farm produced nine tons 284 kilograms of rice per chongbo on 900 chongbo and overfulfilled its production plans in all indices including food grain by a large margin. He stressed that this achievement represented the shiny fruit brought about by the sagacious leadership of the great leader and the great vitality of our party's agricultural policy.

He said that the great leader visited his farm 18 times, and while giving on-the-spot instructions on each occasion, showed the direction and method for doing farm work on a scientific and technological basis, and supplied numerous farm machines and a large quantity of chemical fertilizers and herbicides to the farm, and enabled it to complete the project to irrigate all its fields.

He stated that the high rice yield achieved last year in his farm was attributable first to the fact that high-yield varieties of rice were assigned in a rational manner and farm work was done on a scientific and technological basis to suit the demands of the chuche-oriented agricultural method. He pointed out that another factor responsible for the increased wet-field rice yield was the irrigation system which made it possible to do farm work with no worry about water supply. He then described how, thanks to the upstream water pumping system, the water from the Taedong River flows upstream, mixes with the warm water from the Pyongyang Thermal Power Plant on the way, enabling his farm to pump up this 1 or 2 degree warmer water in the spring, and in the summer, the farm pumps up cool water from the reservoir.

He pointed out that water management workers, cherishing the great benevolence of the party and the leader, not only managed water supply in a thoroughgoing manner but also weeded out grass on paddy ridges and spread manure on the fields to suit the condition of the crop. They gave full play to their spirit of being the masters, thereby contributing to overcoming the adverse climatic conditions of last year.

As a result, he said, his farm had the richest ever harvest last year, and in this process, the farm members came to realize all the more deeply the validity and practicability of the great leader's teachings and the party policy.

He declared confidently that this year his farm will assign high-yield varieties to more of the wet fields with full confidence and do farm work on a scientific and technological basis to suit their characteristics, thereby producing more than 10,000 tons of rice in the farm as a whole, or over 10 tons per chongbo.

Kim Yong-pil, manager of the state-run Anak Farm, proudly said that last year his farm produced eight tons 872 kilograms of rice per chongbo from all its fields, except the plots newly reclaimed, by recognizing the superiority of the state-operated economy, and brilliantly implementing the great leader's instruction to become a 10,000-ton farm.

In addition, he said, last year by improving and intensifying managerial activity, his farm produced a large profit after meeting its expenses with its own earnings.

He said that the dear Comrade Kim Chong-il set an orderly system of management and operation for his farm and consolidated its material and technological foundations, and looked after the farm with meticulous care so that it might play its full role as a model unit for the rural technological revolution.

The chairman said his farm has waged a strenuous struggle to give full play to the superiority of the state-operated economy by upholding the lofty intentions of the party and the leader.

Noting that his farm exerted great efforts to mechanize all farm work and do it in accordance with scientific and technological theories, he explained that the farm first worked out year-by-year land readjustment plans, rearranged all the wet-fields so that they might measure up to the standards, improved the technical skills of its employees, and by actively setting the collective of engineers and technicians in motion, managed water supply and applied fertilizers on a scientific and technological basis to suit the characteristics of the wet-fields reclaimed from tideland. He added that from these paddies alone, 400 kilograms more of rice was produced per chongbo last year than in the preceding year.

He also pointed out that his farm minimized expenditures and systematically lowered the costs to suit the demands of the independent accounting system, and improved its employees' material and cultural standards of living by utilizing inner resources to the fullest possible extent, while managing and utilizing labor and equipment in a unitary and rational manner.

He said that through constant ideological indoctrination along with rewarding practical struggle, the employees of his farm have been continually revolutionized and have become reliable members of the working class responsible for the rice bowl of the state, and the farm has become an agricultural community where it is good to live. He then expressed a firm determination to bring about another turnaround in agricultural production by giving full play to the revolutionary spirit of self-reliance and fortitude, upholding the leader's teachings contained in his New Year's message this year, and in the congratulatory remarks he made to the participants in the current agricultural conference when he met them, and the decisions of the 17th Plenum of the Sixth WPK Central Committee.

Kim Tok-chung, leader of the Seventh Work Team of Yangdong Cooperative Farm in Unpa County, said that the great leader early on established the ingenious sub-work team management system as a means of further consolidating and developing the socialist collective economy, on the basis of his scientific insight into the actual condition of our rural community and the degree of preparedness of the farmers. In properly implementing the sub-work team management system, he said, his work team paid primary attention to seeing that the management and operation of the sub-work teams and guidance in production were carried out in a scientific manner by enhancing the sense of responsibility and the role of sub-work team leaders.

He pointed out that by having sub-work team leaders became engineers and associate engineers, do farm work on a scientific and technological basis to suit the demands of the chuche-oriented agricultural method, and operate their sub-work team well, he eliminated the gap between sub—work teams in terms of per chongbo yield and saw to it that sub-work teams were managed frugally. As a result, he said, a large profit accrued to the state from lowering the production cost by 20 percent each year.

He said that in properly implementing the sub-work team management system, efforts were also exerted to see that farm members struggle devotedly for the development of the communal economy.

He said that in order to give play to the inherent superiority of the sub-work team management system, indoctrination in the great solicitude and benevolence shown by the dear Comrade Kim Chong-il to the farm was stepped up along with indoctrination in the chuche ideology, and work designed to cultivate the spirit of collectivism was carried out among the farm members in a planned and organized manner.

Pointing out that his work team has been awarded a double three-revolutions flag and has drastically increased food grain production, he stressed that this reality convincingly proves that the sub-work team management system created by the great leader is our own superb management method which makes it possible to consolidate and develop the socialist rural economic system and bring about a continuing upswing in agricultural production.

He then stated that he would give still fuller play to the superiority of the sub-work team management system, and not be complacent with past successes.

The conference continues.

Many Popular Welfare Measures in Force in North

SK2103220090 Pyongyang KCNA in English 1508 GMT 21 Mar 90

[Text] Pyongyang March 21 (KCNA)—The 21st of March is the day when a law on abolishing the tax system in Korea was promulgated and she became the first tax-free country in the world.

The great leader President Kim Il-song has said:

"It is the supreme principle of our party's activities to steadily improve the material and cultural well-being of the people."

The Workers' Party of Korea and the Government of the Democratic People's Republic of Korea that regard it the supreme principle of their activities to promote the people's well-being pay deep attention to the work to enable all the working people to live equally well and to steadily improve their living standards.

From the post-war period when the national economic foundation was not yet strong President Kim Il-song took every possible measure to steadily reduce the tax burden of the people.

The agricultural tax in kind which had been partially exempted in the 1950s was completely eliminated over 1964-1966 and all the agricultural produce directed to the improvement of the living standards of the agricultural working people.

Even a negligible amount of the income tax and rates of local autonomy paid by the working people were abolished in 1974.

The people receive enormous state and social benefits thanks to the enforcement of social and cultural policies.

Such benefits include free education, free medical service, paid leave, accommodation at health resorts and rest houses, operation of nurseries and kindergartens, old age security and social security, etc. At state and social expenses.

The benefits the workers and office employees receive from the state are equal to what they are paid for the work done including their living allowances.

The country enforces universal free eleven-year compulsory education for all the school aged children and gives scholarship to the students of universities, colleges and training centres at all levels.

The state covers expenses for upbringing and education amounting to more than 15,800 won for a child in the period from his nursery and kindergarten days till his graduation from the university.

The state benefit everyone receives a year under the system of free medical service is equal to two months' living allowance for an ordinary worker.

A few years ago a mother of quadruplets received free medical care during her 200-odd day hospitalization at the Pyongyang Maternity Hospital. It paid for her over 86,000 won.

Last year, the entire workers, technicians, office employees and students of universities and colleges who achieved spectacular successes in all fields of socialist construction through the vigorous 200-day campaign were awarded the special bonus equivalent to 100 percent of their monthly living allowance and scholarship.

All the working people equally receive such benefits from the state and the society, regardless of age, sex, occupation and religious belief, and they are on a daily increase.

This is a brilliant fruition of the popular measures which are gaining in scope day by day under our peculiar socialist system.

Islet Under Construction as Revolutionary Site

SK2003215190 Pyongyang KCNA in English 1508 GMT 20 Mar 90

[Text] Pyongyang March 20 (KCNA)—Ssuk Islet on River Taedong flowing through the capital city of Pyongyang is being built as a revolutionary site.

This is a historical place where the great leader President Kim Il-song had conversations and meetings with prominent politicians from South Korea including Kim Ku and Kim Kyu-ik in May 1948 after they had participated in the April North-South joint conference.

Last year, he came to this place and ascertained each significant historical evidence, looking back upon the days 40 odd years ago with deep emotion.

And he said that a monument to the united front should be erected and the names of the South Korean politicians who participated in the conference be engraved on it so that the Korean people may remember long the patriots who devoted themselves to the cause of the country's reunification.

The builders are now pressing ahead with the construction of the site in full scale, bearing in mind the invariable will of the entire Korean people to pull down the barrier of division and reunify the country at an early date. They have already carried out more than a half of the project in a little more than six months since they broke the ground.

The lookout shed for a melon field has been rehabilitated to its original state, the body of the monument to the united front erected and the groundwork of the wharf completed. These are major objects of the project.

The laying of flagstones at the 500 square metre ground for outdoor lectures has been finished in the main and more than 1,500 trees have been planted in its surroundings.

Also under construction in the islet are a fun fair block installed with many amusement facilities and stalls and a swimming block with waving and sliding wading pools, beach bathing and shower bathing resorts.

When the project of more than 50 objects is completed, the islet will be a happy place which will greatly help the Korean people in their ideological, cultural and emotional life.

Correction on NODONG SINMUN Lauds Visit

WA2103182790

The following correction pertains to the item headlined "NODONG SINMUN Lauds Jiang Zemin's Visit" published in the 19 March East Asia DAILY REPORT, beginning on page 22:

Page 22, column one, final paragraph, sentence two, make read: ...in a comradely, sincere, and cordial atmosphere... (changing "serious" to "sincere")

South Korea

CSSR, South Korea Establish Diplomatic Ties

SK2203093090 Seoul YONHAP in English 0914 GMT 22 Mar 90

[Text] Seoul, March 21 (YONHAP)—Czechoslovakia became the fourth East-bloc nation to establish diplomatic relations with South Korea on Thursday in a signing ceremony in Prague. Korea also maintains diplomatic relations with Hungary, Poland and Yugoslavia and is scheduled to set up diplomatic ties with Bulgaria on Friday.

Foreign Ministers Choe Ho-chung and Jiri Dienstbier, bringing to 136 the number of countries with which Korea has ties, signed the protocol on the establishment of ambassadorial relations on behalf of their governments, the Foreign Ministry said.

Na Won-chan, director-general of the ministry's European Affairs Bureau, said diplomacy with Eastern Europe has virtually culminated with the establishment of ties with Czechoslovakia and Bulgaria. Na, who is accompanying Choe, said he expects the opening of diplomatic relations with the Soviet Union and China, the ultimate goal of Korean diplomacy, to be advanced as a result.

Romania, East Germany and Albania are now the only East-bloc nations lacking diplomatic relations with Korea, and ties with Romania and East Germany are expected soon. A Romanian negotiating team will arrive in Seoul next week to discuss establishment of ties and Korea had agreed with East Germany to resume negotiations after the March 18 elections.

Bilateral trade between Korea and Czechoslovakia reached 103 million U.S. dollars last year, a threefold increase from 1988. Two-way trade volume was heaviest among the East bloc, though smaller than with the Soviet Union.

Diplomatic Exchange With PRC 'Inevitable'

SK2203024990 Pusan PUSAN ILBO in Korean 20 Mar 90 p 1

[By Beijing correspondent Choe Song-kyu]

[Text] An on-the-spot affirmation was given on 19 March that China would seek to begin practical consular business with the ROK this year through the mutual establishment of consular departments and trade missions. This could be accomplished when standing liaisons are mutually dispatched for the Beijing Asian Games, which will be held in September.

A high-ranking official in the Foreign Ministry, in a meeting with this reporter on 19 March, said, "Temporary consular business will begin for the purpose of issuing visas, for security, for providing services for ROK athletes who will participate in the Asian Games, and for the large numbers of art troupes and tourists. This exchange and residence of high-ranking diplomats will be permanent; it will not be temporary."

The authority added, "A high-ranking ROK diplomat will come to China as a standing liaison late this month, and the Chinese side will subsequently send a high-ranking diplomat to the ROK." He also said, "The mutual establishment of consular departments and trade missions is a natural and inevitable trend, considering the fact that extensive economic and manpower exchanges will take place."

He said that "China considers the ROK's economic development to be a model case, which draws deep interest, and the continued exchanges between the two countries are mutually profitable, even from a geopolitical point of view." The authority, seemingly conscious of North Korea, added: "Now is not the time to make an official announcement. However, I know that the two countries have already reached agreement to the degree that there are hopeful expectations for an inter-government dimension."

Meanwhile, Liu (Pang-an), director of the Foreign Affairs Department of XINHUA, said, "At our level of knowledge, there is a high possibility that the exchanges and establishment of consular departments and trade missions will take place at almost the same time." He added, "The exchanges between the two countries are a necessary and inevitable thing."

Hong Kong Investment Loan Made to PRC Firm

SK2203013790 Seoul YONHAP in English 0125 GMT 22 Mar 90

[Text] Seoul, March 22 (OANA-YONHAP)—Korea Exchange Bank (KEB) has joined an international syndicated loan to China International Trust and Investment Corp. (CITIC), which will use the money to buy 20 percent of Hong Kong Telecom, a bank spokesman said Thursday.

The loan, to be signed later in the day in Hong Kong, totals 7 billion Hong Kong dollars (900 million U.S. dollars) and KEB will put up 10 million U.S. dollars, he said.

KEB will co-manage the loan, in which 36 international commercial banks are taking part.

In an international syndicated loan in November 1989, KEB extended 5 million U.S. dollars to China Resources Holdings Ltd.

CITIC, set up in 1979 as an umbrella organization by China's state council, is the international door to joint investments, introduction of loans and financing.

Kim Yong-sam Interviewed on Soviet Trip

CHUNGANG ILBO 19 Mar

SK2203051590 Seoul CHUNGANG ILBO in Korean 19 Mar 90 p 3

[Interview with Kim Yong-sam, co-representative of the Democratic Liberal Party (DLP), by Kim Yong-pae, head of the political department of CHUNGANG ILBO; date and place not given]

[Text] On 19 March, DLP co-representative Kim Yong-sam, who will pay a second visit to the Soviet Union, explained the significance of carrying out exchanges with the Soviet Union by saying: "Perestroyka can be applied to all socialist countries. North Korea cannot be an exception. If the Soviet Union and Korea become closer, this will be a driving force to open up North Korea. This cannot be overlooked. This will also have a great influence in North-South relations."

[Kim Yong-pae] Will an important opportunity in the normalization of diplomatic relations between the two countries be provided on this trip?

[Kim Yong-sam] If possible, I would like to refrain from talking about such a sensitive issue. Also, it would be better if I do not talk about whom I will be meeting with in the Soviet Union.

[Kim Yong-pae] There are rumors that plans are being made for you to hold meetings with Gorbachev. Don't you think this will be all the more significant since he was recently elected president?

[Kim Yong-sam] I would rather not talk about this issue also.

(He continued to conceal the schedule of his visit to the Soviet Union, and seemed wanting to leave an impression on the significance of his trip.)

[Kim Yong-pae] There are expectations that diplomatic relations with the Soviet Union will be realized within this year....

[Kim Yong-sam] I met with Brandt twice when he visited Korea last November. He was not able to predict the great changes that occurred in East Germany a few months later. As incidents occur differently from expectations, society is like a moving organic body.

[Kim Yong-pae] It seems to me that you mean that diplomatic relations can be realized quickly.

[Kim Yong-sam] I will leave it for you to guess. (It seemed that co-representative Kim was optimistic about the possibility of early diplomatic relations between the two countries.)

[Kim Yong-pae] You said that the relationship between Korea and the Soviet Union will have an effect on North-South relations. Do you have any plans to request to the Soviet side to exercise some pressure on North Korea to open its doors?

[Kim Yong-sam] I believe that North Korea will show change within this year. The only places in the world that have not changed are North Korea and Cuba. However, there are signs of change in Cuba. Since everyone is changing, there is no way for North Korea to lock up the people from the rest of the world.

[Kim Yong-pae] Do you have any plans to meet with North Koreans?

[Kim Yong-sam] Last time when I met with Ho Tam, chairman of the Committee for the Peaceful Reunification of the Fatherland, the Soviet side told me that someone from North Korea wanted to meet me. There is no talk about that yet. However, since the North Korean Embassy in Moscow is as large as the U.S. Embassy, I may have the chance to meet with North Koreans....

[Kim Yong-pae] Are there any other important events that will take place while in the Soviet Union?

[Kim Yong-sam] I will be making a speech at Moscow University which is very important. India's Mahatma Gandhi spoke there and West Germany's Brandt made a speech there after receiving the Nobel Peace Prize. Reagan also spoke there....

[Kim Yong-pae] Are you going to make any special proposal with regard to the relationship between Korea and the Soviet Union during your speech?

[Kim Yong-sam] I would rather not comment on that now.

[Kim Yong-pae] It seems that since you became co-representative of the ruling party you seem to be hiding too much compared with when you were president of the opposition party. Last time, you visited the Soviet Union as president of the opposition party. This time you will be visiting the Soviet Union as co-representative of the ruling party. Can this be seen as the start of an official relationship?

[Kim Yong-sam] It can be judged as so. The Soviet Union is a country in which the party holds the power and our country is being ruled by the DLP regime....

[Kim Yong-pae] Many people are saying that the scale of the delegation to the Soviet Union is too big.

[Kim Yong-sam] I explained to co-representative Kim Chong-pil about the scale of the delegation and he understood why so many people are accompanying me. (It seemed that Kim Yong-sam was very conscious of the remarks made by co-representative Kim Chong-pil who was critical about the scale of the delegation.) When I was invited to the Soviet Union, I promised many people that they could come with me.... Currently my second son Hyon-chol, is in the Soviet Union. He was invited by the editor in chief and wife of the (IGNATENK NEW TIMES). I had invited them to Korea last October.

[Kim Yong-pae] There was talk on whether Minister Pak Chol-on will be going together with you or accompanying you to the Soviet Union. What role will he assume during your visit to the Soviet Union?

[Kim Yong-sam] Am I not the co-representative of the DLP? He will be a member of the delegation, of course.

[Kim Yong-pae] You received harsh criticism from the Party for Peace and Democracy with regard to the merger of the three parties in the last National Assembly....

[Kim Yong-sam] Since I made the decision with conviction, I was prepared to be criticized.

[Kim Yong-pae] There are some voices saying that the DLP has retrogressed even more so than from the past stance of the Democratic Justice Party. We can say this when looking at such laws as the National Security Law.

[Kim Yong-sam] The DLP line was not carried out 100 percent as I had expected, but many things were corrected. The National Assembly must be greatly assessed since it decided to check the establishment of the intelligence committee of the National Security Law within the National Assembly.

[Kim Yong-pae] However, aren't there efforts to pass it?

[Kim Yong-sam] I am determined not to make any unreasonable actions during this session. Don't we always have power? We cannot use power every time just because we have it. The opposition party is carrying out sit-ins just as it did in the 1960's and 1970's.... I also participated in these sit-ins, but we must not do this now. If we do not keep in step with the changing world the whole country will sink. Smart politics must be conducted.

[Kim Yong-pae] It was promised to the people to form local self-governments by 30 June. However, it seems that it will not be possible to realize it in the early part of this year.

[Kim Yong-sam] What I feel these days while carrying out politics is that I should not give any impromptu answers to questions.

[Kim Yong-pae] The economic circles are against carrying out the elections for the local autonomy system. Doesn't this have anything to do with it?

[Kim Yong-sam] Some are saying that the distribution of wealth should be carried out, but if it is to be carried out there must be rice in the warehouse. If distribution of wealth is carried out first, we cannot expect growth. Of course this is like the front and back of a coin....

[Kim Yong-pae] Ultimately, you are saying that we must put emphasis on growth as proposed by the financial circles. You seemed to have changed from the past.

[Kim Yong-sam] No, that is not true. All I want is stability through reform.

Questioned by Seoul TV

SK2103143090 Seoul Television Sevice in Korean 1200 GMT 21 Mar 90

[Interview with Kim Yong-sam, co-leader of the Democratic Liberal Party (DLP), by KBS anchorman Pak Song-pom, in Moscow on 21 March—recorded]

[Excerpts] [Pak] How are you, co-leader Kim Yong-sam? The people must have great expectations of your visit to the Soviet Union in your capacity as co-leader of the ruling party. Contacts between high-level personages of the ROK and the Soviet Union have been under way since yesterday. What do you think about the possibility of ROK-Soviet diplomatic relations?

[Kim] When I left Seoul, I said I had no definite plan about whom I would meet. I have various plans now, but at this juncture I do not think it is appropriate to talk about the possibility of establishing ROK-Soviet diplomatic relations. I think ROK-Soviet relations are entering a very significant stage. My previous visit to the Soviet Union was no more than to lay a foundation, but this visit goes beyond that stage. [passage omitted]

[Pak] When you last visited the Soviet Union, you met Ho Tam of North Korea. Is there any possibility that you will make contact with high-level personages from North Korea? I presume it will not be easy for you to answer this question.

[Kim] I have no idea what is happening in North Korea. However, in view of various moves in the international community, I am sure that North Korea will have to change. Because of the great changes in the Soviet Union and Eastern Europe, I don't think it will be long before North Korea changes. I do not have the faintest idea on whether any high-level person from North Korea will visit me at the House for State Guests as Chairman Ho Tam did before. [passage omitted]

[Pak] Your delegation visiting the Soviet Union includes figures from parliament, government, business circles, and particularly Pak Chol-on, minister of state for political affairs, who has been charged with northern diplomacy. What is the significance of this composition of your delegation?

[Kim] The press is reporting incorrectly. I take reponsibility for this visit as a DLP co-leader. Therefore, other members are all suite members. They should not have any separate mission. Every decision will be made under my responsibility and reported to me.

[Pak] Thank you, co-leader Kim Yong-sam.

[Kim] Thank you.

'Door-to-Door' Delivery Agreement With USSR

SK2203020690 Seoul THE KOREA HERALD in English 22 Mar 90 p 3

[Text] Korea and the Soviet Union can now deliver each other's goods door to door as a result of a business partnership agreement by international freight forwarders in the two countries.

Tae-A Transport Co. said yesterday it signed an agreement with Sovmortrans, one of the two forwarding companies in the Soviet Union, March 2, in Moscow. The two companies will provide the first door-to-door delivery of goods between importers and exporters in Korea and the Soviet Union, arranging cargo transport both on land and port to port, said a Tae-A official.

Exporting companies, until now, arranged delivery to port of destination while the receiving side was responsible for transporting from their port to land. The Tae-A-Sovmortrans partnership enables exporters to arrange the entire delivery route to even remote parts of the country, Tae-A President Pak Kyong-ho said. In splitting the profits, Pak said the two sides will divide commission according to the amount of work involved, with the cargo generator (exporting end) taking more of the profits than the receiving agency (importing end). Pak did not specify the ratio.

The agreement will cover both liner and tramper services as well as container and bulk cargo. A port to port forwarding system, which excludes transport on land, was set up between Oram International Inc. of Korea and SVT [expansion unknown] in the Soviet Union late last year.

Tae-A, which has similar partnerships with 30 other countries, had been contacting the Soviet side from two years ago for an international freight forwarding agreement, Pak said. Sovmortrans, Tae-A's partner, began operations at the start of this year as the second forwarding agency to be formed in the Soviet Union after SVT.

While cargos bound to Eastern Europe are carried aboard the trans-Siberia railroad, exporters to the Soviet Union were unable to guarantee delivery inland to deeper regions of the country after the freight reached the Soviet port, Pak said.

"We can't project if the partnership will turn out to be profitable, but the signs are good with the setup of Korea-Soviet Union direct sea route later this year," Pak said.

Trade volume between the two countries last year recorded $600 million with Korea importing mostly raw material from the Soviet Union, and shipping sources are expecting an increase in grain imports aboard bulk ships.

Most of the exports to the Communist country are container cargos, including electronic goods and household appliances.

A direct sea lane between the two countries is due this summer, possibly in July, with a consortium of three domestic shipping companies functioning as a partner to the Soviet's Far Eastern Shipping Co.

Hungary Anxious To Attract Foreign Investment

SK2203021290 Seoul THE KOREA TIMES in English 22 Mar 90 p 8

[By staff reporter Choe Won-suk]

[Text] Budapest—Hungary is all out to attract foreign investment from the free world in order to rev up its backward economy stunted by the long Communist rule. As Hungary is switching to a market-oriented economy abolishing the rigid Communist regime, the country of Magyars fully supports joint ventures with foreign industries.

Last year, Hungary promulgated in a hurry various laws including one on foreign investment to attract more foreign capital through the establishment of joint ventures. However, the results are still poor as foreign industries are reluctant to invest in Hungary afraid of the financial risks.

Beck Tamas, Hungarian minister of trade, said, "Some 1,000 joint ventures with foreign business concerns are operating in our country." However, he deplored that their total investment amounts to less than $500 million.

As for incentives for foreign investors, he said, "Hungary automatically approves their investment in case they hold less than 50 percent of joint ventures." He acknowledged that the Hungarian law on foreign investment has many loopholes because of its hasty enactment.

"Taking advantage of the defects of our law, many foreign investors have indulged in imports in a bid to repatriate more benefits home," said the 61-year-old Hungarian minister, a graduate of the Technical University of Budapest. He regretted a Western news report that "foreign investors in Hungary will amass fortunes if they capitalize on the defects of the Hungarian investment law."

He said, "We are deeply aware of the necessity of revising our defective investment law but it will take a considerable time."

He called upon more investment in Hungary by Korean companies, citing the success of Samsung Electronics Magyars, a joint venture between Samsung Electronics, Samsung Co. and Orion of Hungary. He handed out to Korean reporters a list of 50 Hungarian companies which wish to set up joint ventures with foreign industries.

Besides Samsung, Daewoo has already invested $80 million in the takeover of a Hilton Hotel and in the establishment of a finance company in Hungary and also plans to set up a microwave oven plant. Goldstar and the Korea Development Bank have also set up offices.

Beck said, "Trade between Korea and Hungary reached some $50 million last year from nothing in 1984." Citing that relations between the two countries will further improve on the basis of full diplomatic ties established last year, he was optimistic that bilateral trade would climb to $100 million in two or three years.

In the meantime, he said that Hungary is determined to introduce convertible currencies such as the U.S. dollar, the Deutsche mark and the Japanese yen for the settlement of trade accounts with other Eastern European countries and the Soviet Union. Currently, the Eastern bloc and the Soviet Union use the Russian ruble as the sole unit for the settlement of their trade accounts even though the Russian currency is not convertible on on the international market.

Beck disclosed that Hungary, Poland and the Soviet Union decided to settle their trade accounts with convertible currencies from next year in a recent meeting in Moscow. He foresaw that Hungary would suffer from a possible decrease in exports to the Soviet Union and other Eastern European countries in the early stage of using convertible currencies as they will move to purchase the same kinds of products from the free world. But he said that the using of convertible currencies in trade among the Eastern bloc and the Soviet Union would inevitably benefit them in the long run.

Beck also disclosed that Hungary is endeavoring to join the 12-member European Community to accelerate its economic development. He predicted that his country would gain full membership of the EC by 1995 along with Austria.

* ROK Paper on North's Election, Succession

WA2003040090

[Editorial Report] The Seoul TONG-A ILBO in Korean on 24 February, page 3, carried an article by reporter Kim Se-won headlined "Definitive Plan for Kim Chong-il Succession Possible," assessing the opinions of ROK experts on North Korean affairs that President Kim Il-song will be succeeded soon by his son and designated heir, Kim Chong-il.

The article noted that North Korea's decision to hold the election of Supreme People's Assembly [SPA] deputies on 22 April 1990, seven months ahead of schedule, is significant because it "hints" at North Korean structural changes in the wake of rapid reform in the East bloc countries. South Korean experts on North Korea note that the decision to hold SPA elections before the body's term expires is unprecedented, and they also note that the April election date is one week after Kim Il-song's 78th birthday. The specialists feel that North Korea "has reached a crossroad between reform and conservatism," and that its future course will likely be determined by the SPA elections.

The article noted that the SPA elections, as the Japanese media has speculated, may signal Kim Chong-il's succession and the restructuring of power in the DPRK. Professor Yu Sok-yol of the Institute of Foreign Affairs and National Security noted: "Considering that the SPA is empowered to elect the supreme leader of the country, its early election may be a preparatory measure for Kim Il-song to transfer power to Kim Chong-il, and then manage only defense and diplomatic affairs himself." Yu cited the following among the "numerous signs" of Kim Chong-il's impending succession that have appeared since last year: 1) Kim Chong-il's exclusive written interview last year with the Cuban paper GRANMA; 2) North Korea has been strengthening the "idolization" of Kim Chong-il through ideological indoctrination programs; and 3) that Kim Chong-il's 48th birthday celebration on 16 February was more "extravagant" than past celebrations. Professor Yu added that unofficial reports claiming that during his November 1989 visit to China, Kim Il-song informed PRC leader Deng Xiaoping of his intent to transfer power to Kim Chong-il around his birthday, supports his analysis.

On the other hand, the early elections may be designed to prevent anything resembling the waves of reform sweeping East Europe and the USSR from entering North Korea by solidifying Kim Il-song's hold on power and playing up his democratic inclinations. Although DPRK domestic and foreign policies were consistent through the first half of 1989, they began to diverge after the Ceausescu regime in Romania fell in December 1989, the article noted. While reverting to hardline measures domestically, including restrictions on domestic travel, the DPRK softened its foreign policy stance, mitigating its criticism of countries that have initiated ties with South Korea. Kim Chang-sun, director of the Research Institute on North Korean Affairs, explained: "DPRK leaders may have decided, under foreign pressure to reform, to hold elections early to publicize externally its practice of democracy, while internally attempting to restructure the SPA and strengthen the Kim Il-song system."

Finally, the article noted, some specialists feel the upcoming election is unrelated to the succession issue, but will be used to direct North Korea's "chuche-oriented" policies toward reform. Regardless of the SPA election outcome, drastic political reforms like those in Eastern Europe and the Soviet Union are unlikely, experts agree.

Academicians Allowed To Contact North Scholars

SK2003030690 Seoul YONHAP in English 0238 GMT 20 Mar 90

[Text] Seoul, March 20 (YONHAP)—Five South Koreans were granted official permission Monday to contact North Koreans, including Hwang Chang-yop, a member of the Central Committee of the North Korean Workers (communist) Party.

The National Unification Board said Tuesday it had issued a permit allowing Hong Sung-chik, director of Korea University's Asiatic Research Center, to contact Hwang, who is also chairman of the North Korean Association of Social Scientists, during an academic gathering in Hawaii March 27-29. Hwang is the Central Committee member in charge of foreign affairs.

The meeting, to debate the future of Pyongyang, is sponsored by the University of Hawaii's Center for Korean Studies.

Yi Sang-chu, president of Ulsan University in South Kyongsang Province, was given permission to contact unnamed North Koreans to invite Yang Hyong-sop, president of the North Korean Academy of Social Sciences and speaker of the Supreme People's Assembly (the North's unicameral parliament), to a university-sponsored academic meeting in June.

Three other applications to contact North Koreans also won approval.

Possible Seoul-Pyongyang Footrace Discussed

SK2003015890 Seoul THE KOREA TIMES in English 20 Mar 90 p 12

[By staff reporter O Yong-chin]

[Excerpt] Seiko Yasuda, president of the Asian Amateur Athletic Association (AAAA), said that he will make efforts to inaugurate a Seoul-Pyongyang race as early as this October by sounding out the two Koreas' intentions on it.

"The inter-city race, if the bid is successful, will help contribute to improving the relationship between the capitalist South and Communist North aside from the financial fruits it will bear" he said through an interpreter in an interview Saturday. Yasuda, who has headed the AAAA or often called Four As, for the past 10 years, came to Korea to observe the second Asian Marathon Championship held Sunday. Over 170 runners from all over Asia competed in the 42.195 km race between Seoul and Songnam.

He said that the financial rewards related to such a race hold much promise as most Asian and even Western runners would be interested in competing in consideration of North Korea's isolation. However, he said that he has yet to develop a solid plan for the race and the agreement between the South and North should precede the actual execution of any such plans.

The two Koreas' year-long efforts to field a joint delegation to the Beijing Asian Games this September failed as both sides could not agree on some matters.

He plans to introduce the first Asian Cross-Country Championship sometime next year in Japan with Korea, China and a few other countries attending to enhance competitiveness in the sport the European nations have dominated. [passage omitted]

Pro-Pyongyang Koreans in Japan To Visit ROK

SK2203022690 Seoul THE KOREA TIMES in English 22 Mar 90 p 2

[Text] A total of 855 Korean expatriates affiliated with a pro-Pyongyang organization in Japan, known popularly as "Chochongnyon," will make home visits between March 26 and March 28 in groups, Ministry of Foreign Affairs officials said yesterday.

While here, they will also tour major places of historical interest as well as sightseeing spots and industrial plants, they said.

About 49,000 Korean residents in Japan involved in the pro-Pyongyang organization have thus far traveled here under the home-coming visit programs organized by the government since 1975, when the first batch of Korean expatriates arrived.

Anti-Kim Il-song Sentiments Perceived in Japan

SK1803035490 Seoul HANGUK ILBO in Korean 17 Mar 90 p 2

[Editorial: "An Event That Is Taking Place in the General Association of Koreans Residing in Japan"]

[Text] At a time when there are signs of an imminent power succession in North Korea, a movement has surfaced within the General Association of Koreans Residing in Japan [Chongnyon], calling for the toppling of Kim Il-song's hereditary dynasty. This is attracting our attention.

According to a report in TONGIL ILBO, a daily published by Koreans in Japan, some 30 Chongnyon members, including Ha Su-to, director of the Research Institute of the Reunification of Korea—who was the deputy director of Chongnyon's Organization Department—held a meeting recently and decided to stage a massive "rally of Koreans in Japan for the promotion of national reunification and the overthrow of Kim Il-song's dictatorship" in May. Declaring that "what Kim Il-song has sought is neither national reunification nor the North Korean people's happiness," Ha Su-to asserted that "to achieve reunification between the North and the South, Kim Il-song's dictatorial system must be overthrown."

We can enumerate many reasons why Chongnyon, which has upheld and supported Kim Il-song's regime in the North, has shown such moves, though belatedly. However, we cannot but indicate first the democratic reform in the Soviet Union and Eastern European socialist countries. In other words, today's situation in North Korea excessively contrasts the situation in the Soviet Union and East Europe, and the Chongnyon members' anti-North moves are natural.

Anyway, it is unprecedented that Chongnyon, which has followed and supported the North Korean regime under Kim Il-song blindly, has risen up against Kim Il-song. Therefore, Chongnyon's moves against Kim Il-song cannot but create a noteworthy phenomenon in the relations between Chongnyon and the Pyongyang regime in the future.

There are a total of 670,000 Koreans residing in Japan. Among them, approximately 410,000 belong to the Federation of Koreans Residing in Japan [Mindan], the organization of Koreans in Japan that supports the Republic of Korea. Some 200,000 belong to Chongnyon, which supports the Pyongyang regime. In the early days, the number of Koreans belonging to Chongnyon reached 450,000. However, the number has sharply decreased. Their awareness of the real situation of the North Korean society, which contrasts too much with that of the Japanese society, the economic development and democratic reform in South Korea, and their awareness of the real situation of South Korea through their visits to South Korea as members of the home-visiting groups of Koreans belonging to Chongnyon have been known as the main reason for such a decrease in the number of Koreans belonging to Chongnyon. The Koreans belonging to Chongnyon are mostly those whose parents, families, and relatives have been repatriated to North Korea and live there. Therefore, it is difficult for them to secede from Chongnyon.

The moves of the aforementioned former cadre members of Chongnyon against Kim Il-song's dictatorship suggest that a change is taking place in Chongnyon. Chongnyon has sent huge amounts of money and materials to North Korea to help Kim Il-song maintain his dictatorial system.

It has already been known among Koreans in Japan, as well as the Japanese people, that Chongnyon has sent huge amounts of money and gifts to North Korea every year, particularly on Kim Il-song's birthday and Kim Chong-il's birthday. Under such circumstances, the moves against Kim Il-song's dictatorship in Chongnyon, though their scale is small, will definitely have an effect on Chongnyon's economic assistance to North Korea in the future. Accordingly, the future of the present economic cooperation between North Korea and Chongnyon will attract our particular attention.

At such a time, it was reported that North Korea, which is suffering international isolation, invited China's Jiang Zemin to visit Pyongyang, pledged friendship and cooperation between the two countries, and reaffirmed it would defend socialism. However, not only Chinese leaders, but also North Korean leaders are well aware that the era of confrontation has ended and that the world is now advancing toward the era of reconciliation and openness. Therefore, we cannot but pay close attention to the change taking place within Chongnyon. At the same time, we hope that such a change within Chongnyon will affect North Korea, an isolated and closed society, in the future.

Relations Sought With Namibian Government

SK2203021690 Seoul THE KOREA TIMES in English 22 Mar 90 p 2

[Text] President No Tae-u has expressed "warmest" congratulations on the independence of the Republic of Namibia and the hope that the "historic event will usher in a new, prosperous and peaceful future" for the southwest African country.

In a letter on Namibian President Sam Nujoma, delivered by his special envoy, No Chae-won, ambassador at large at the Foreign Ministry, he said, "Mr. No has been entrusted with the important task of... strengthening the ties of friendship and cooperation between our two countries upon the basis of our mutual benefit."

Discussion is under way between Korea and Namibia on the establishment of diplomatic relations.

Oil Tank Contract Signed With Iranian Firm

SK2103095790 Seoul YONHAP in English 0725 GMT 21 Mar 90

[Text] Seoul, March 21 (YONHAP)—Ssangyong Construction Co. signed a 31.4 million U.S. dollar contract with National Iranian Oil Co. (NIOC) March 10 for the construction of six oil tanks, the South Korean company said Wednesday.

Under the contract, the subsidiary of Ssangyong Business Group is to begin work on five 1 million-barrel tanks and a 500,000-barrel tank on Kharg Island in the northeastern Gulf in the first half of the year. Completion is scheduled for 1992.

NIOC was the Iranian partner when Ssangyong established a 50-50 joint-venture oil refinery (Ssangyong Oil Refining Co.) in 1976. But the Iranian partner pulled out in 1980.

DLP To Call Extraordinary Assembly Session

SK2203022890 Seoul THE KOREA HERALD in English 22 Mar 90 p 2

[Text] The ruling Democratic Liberal Party [DLP] has decided to hold an extraordinary session of the National Assembly in mid-June.

The DLP's position was revealed by floor leader Kim Tong-yong in an executive party council meeting yesterday.

The opposition Party for Peace and Democracy favors convening a special Assembly session in May to deal with issues left unsettled in the last extraordinary parliamentary session which ended March 16.

The issues include revision bills to the Agency for National Security Planning Act, the National Security Law and the Local Election Law.

The DLP's decision is designed to duck a strong political offensive planned by the opposition party timed with the 10th anniversary of the Kwangju civil uprising May 18.

Defense Minister Comments on Disarmament

SK2203094390 Seoul YONHAP in English 0918 GMT 22 Mar 90

[Text] Seoul, March 22 (YONHAP)—The South Korean Defense Ministry has ordered a military-wide review of spending to meet changes in the situation on the Korean peninsula, including the pull-out of American forces stationed in South Korea.

In a directive to commanders of the Army, Navy and Air Force on Thursday, Defense Minister Yi Sang-hun ordered coordination of priorities so that substitute

The Korean economy has been put through the tests of the soaring wages, the advancing won currency appreciation and the market opening in recent years and, in this process, structural adjustment has been found to be an unavoidable task.

The time has come not only for big businesses but for M&E enterprises as well, to be concerned about changing business and advancing into new fields, developing high value-added products, and increasing productivity. It was precisely because of this rapidly changing environment and in order to properly respond to such changes and at the same time launch effective assistance measures that the government, in June of last year, enacted the Special Measures Law on Promoting Stability and Structural Adjustments of M&E Industries. Under the law, the government will consolidate the foundation for the growth of M&E industries in the 1990-94 period. This year marks the first year of this restructuring effort.

Then, let us take a look at the aid measures planned for 1990 in various fields:

Structural Shift toward Technology-Intensive Fields

An M&S industry technology demand survey will be conducted in the first quarter of 1990 and, based on findings, 52 billion won will be provided in concentrated structural adjustment funding for areas found to be technologically promising.

Five billion won in treasury funds will be used to train 2,500 technological personnel at the Institute of Industrial Technology.

Five billion won will be loaned out to 25 organizations to induce technological amalgamation among different-type businesses.

Of the reserve fund for technology development, the allowed limit of accumulation will be revised upward for additional financial and tax favors to back up technology developments. Special state endorsement will be extended to technology development aid and structural adjustment funds.

As for enterprises with promising prospects of developing world-class technologies, the government will select 500 companies for financial support; regarding technology-intensive products, public organizations will procure them on a preferential basis.

To develop information networks in earnest, 200 firms will be provided with 20 billion won in loans. The 1990 government plan calls for an outlay of 2.5 billion won to aid five model projects of M&S industrial information network.

The plan also includes outlays of 5 billion won in financial assistance in 15 areas of multipurpose software development and another 5 billion won in 100 areas of the leasing industry. An information network development center will be created within the M&S Industry Promotion Corporation. Also, a corporation will be established to back up information management organizations.

In case of reinvestment in plant and equipment [P&E] after 80 percent of the durable years have elapsed, tax exemption will be granted; at the same time both financial and tax incentives will be used to back up enterprises showing superior performance in increasing productivity. P&E modernization standards will be established and put in force for each industry, with 73 billion won provided from the structural adjustment fund to aid this program.

For increased P&E investments, large proportions of special foreign exchange loans will be set aside for M&S industries; in case of leasing firms, it will be arranged so that out of their yearly volume of business, they will allocate at least 50 percent to M&S enterprises.

As a measure to promote new business starts, 400 young personnel with technological backgrounds will be trained through venture preparatory schools, and to back them up, an outlay of 120 billion won will be made in unsecured investments through investment companies and investment unions.

The financial resources of investment companies and unions for business starts will be increased up to 470 billion won; when workers start their businesses after employment of 10 years or longer, their applications for loans from the business startup assistance fund will be given special consideration.

To encourage business rejuvenation and advancement into more promising fields, 200 firms will be granted a total of 30 billion won in grants from the structural adjustment fund and given special credit guarantees.

For Firm Foundations To Ensure Stability

Measures to promote a lasting labor-management peace include: educating M&S industry owners in labor administration, developing and disseminating model labor-management relationships for M&S enterprises, and building 2,000 rental apartment houses for unmarried woman workers.

Wage increase negotiators at parts manufacturing firms will be guided to hold their negotiations in the form of joint bargaining tied to negotiations at the respective mother companies. Also, enterprises will be encouraged to step up vocational training for business changes and advances into more promising fields.

Business performance will be monitored on a quarterly basis and, when massive business failures are feared, the emergency fund for business stability will be made available. The M&S industry tax exemption program will be increased to 120 billion won and eligibility to participate in the program will be expanded to cover all M&S enterprises that have been in business for 6 months or longer.

Arrangements will be made for M&S industries to be provided with funds totaling 7 trillion won through financial institutions; as for supplementary securities, the threshold will be lowered for credit guaranty authorization and the financial institutions' assistance period for the guaranteed funds will be extended. In the case of commercial papers, the government will buy them with no preset ceilings when they are found to be genuine, disposing of them on a case-by-case basis after confirming the prevailing discount factors.

A monitoring system will be established to check infiltrations into traditional M&S industry areas by big businesses and violations will be dealt with more harshly, including through legal proceedings.

An organization for business adjustments will be created within the Korean Federation of Small Businesses to induce adjustments prior to applying for licenses; at the same time, a fact-finding survey will be conducted of 50 mother companies and 100 contracting firms and problems thus exposed will be corrected.

Fostering Growth Potential

Parts manufacturing M&S enterprises will be granted favorable treatment at the time of the outlay of the policy fund; the contracting firms council will be reorganized into a corporation-type union with access to the structural adjustment fund.

Meanwhile, 15 billion won is earmarked to aid transfers of enterprises currently owned by conglomerates to M&S industries; at the same time, partial investments by conglomerates will be permitted. In preparation for internationalization, the handling of international factoring business will be expanded to include all financial institutions and the Korean Trade Promotion Corporation will actively supply information on overseas markets. With regard to trade commercial paper underwriting, an additional ceiling of 500 million won will be set, while the Export-Import Bank overseas investment fund will be increased to 120 billion won.

The M&S Industry Bank will create a special fund of 100 billion won to aid new product development linked to overseas marketing. Also under study are plans to hold the 17th international M&S industries conference in Seoul in September, and to establish a joint investment company with ASEAN financial institutions.

The M&S industry promotion corporations will be nurtured to serve as consolidated regional administrative aid centers for small enterprises. Also, a permanent exhibition center for small industry products will be opened in the Korean Chamber of Commerce and Industry building.

Measures will also be taken to induce the establishment of 150 cooperative unions of different-type industries, plus 100 cooperative unions of enterprises in commercial and service areas, and to aid urban-type enterprises in their securing of land for plants and cooperativization.

Under the government plan, the size of joint procurement of raw material and other accessory materials by M&S enterprises is estimated at 700 billion won, and that of public procurement by public organizations at 200 billion won.

Fostering Local M&S Industries

In connection with the local autonomy system which is about to become effective, central and local government functions in the administration of M&S industries will be reestablished and regional aid measures formulated.

The Industrial Laboratory will be reorganized as a local M&S industry aid center to play a leading role in developing joint projects of local enterprises and training engineers and technicians for local industries. To that end, M&S industry task forces will be formed in major cities such as special cities and provincial capitals to provide technical and managerial guidance and industry-university cooperation programs.

Also contained in the government plan are tax reduction and exemption measures on income tax and corporate taxes for enterprises moving their bases or branches from the metropolitan area to provinces; for provincially based industries, the overall tax exemption ceilings will be revised upward.

According to the plan, when the government issues the mandatory loans for M&S industries, it will see that a certain percentage will go to provincially based enterprises.

* Three-Party Merger's Effect on Economy Viewed

902C0117A Seoul SEOUL SINMUN in Korean 23 Jan 90 p 7

[Article by Chong Chung-sok: "Revitalization of Economy Expected With the Political Stability Following Merger"]

[Text] The sudden merger of DJP (Democratic Justice Party), RDP (Reunification Democratic Party), and NDRP (New Democratic Republican Party) was announced on 22 January. What effect will the merger, which is considered to be the greatest political revolution since the start of our constitutional government, have on our economy?

The giant industrial conglomerates, which grew bigger by adding more businesses every time there was a political reorganization, are carefully watching the development without making comments. The merger has undoubtedly caused shocks and ripples in the financial world.

The announcement, however, was generally viewed with cautious optimism among the industry's interest-groups.

The Federation of Korean Industries, the Central Committee of Mid/Small-size Industries, and the Association of Korean Businesses all expressed hope that this political reorganization will turn around the nation's sluggish economy. They regard this event as meaningful in its attempt to bring about a political stability.

The Federation of Korean Industries in particular expressed its hope that this merger will create a stable political climate to revitalize the industries. The Central Committee of Mid-Small-size Industries expects that this political reorganization will become the potting soil for continuous industrial growth and peace. These industrial interest-groups all hope that this party unification will act as a catalyst to turn the tide toward more economic growth.

From the start of the 13th National Assembly, which has been beset with partisan disputes among the minority ruling party and the combined majority of the three opposition parties, the financial world has grumbled more than it has applauded.

Under the four-party system, economic policy was influenced more by the political climate of the time. Consequently, it took more time and money to achieve any constructive action. In addition, policy planning and its execution often lacked consistency.

The somewhat favorable reactions by the interest-groups to the new political event reflect the past unhappiness of the industries.

The stockmarket, which always reacts keenly to events which affect economic reality, soared initially at the news of the party unification, reversing its recent downward trend. This indicates that many investors took the view that the three-party merger would bring political stability. Some people, however, regarded the influence of the party merger on the nation's economy with skepticism. The Composite Stock Price Index that day rose 25 points within 20 minutes of the market opening. It came down to 10-point level during the day only to rise again to 26-point level at a later hour. This fluctuation indicates the uneasiness of the investors at news of the party coalition.

The industry's interest-groups too have somewhat mixed feelings about the outcome of the merger. The Central Committee of Mid/Small-size Industries stated, "It would be more desirable for the politicians to avoid such drastic measures as reorganizing the political structure. All the political matters should be conducted in a manner of dialogue and compromise among the different party members." The Federation of Korean Industries similarly stated, "A political party should be mature enough to rise above a potential abuse by the majority." The Association of Korean Businesses, on the other hand, cautioned, "Political reorganization should be accomplished by eliminating regional rivalries."

These statements reflect the groups apprehensiveness about the repercussions which will result from the long process of merging and changing the country's current presidential system of government to a parliamentary system. They are also uneasy about the expected retaliation by the opposition party which is left out of the merger and is now even more isolated. They are generally worried about the details of the outcome.

On the whole, however, the financial world appears to take the view that party unification will have a positive influence and safeguard the nation's economic growth.

The business sector generally believes that when the system of a minority government party with a majority of combined opposition parties is replaced by the system of a majority ruling party, political, social, and economic stability will follow, and this will increase incentives for business investments. Since it is widely regarded that the recent economic doldrums have been due to instability outside the business community and the public's lack of interest in investment, they hope the three-party merger will eliminate some of the problems.

Yim Tong-sung, director of Samsung Economic Research Institute, said, "regional and economic rivalries have become intensified in recent years due to the prolonged political squabblings among the four-party members. It is expected that the three party merger would control some of our economic problems and this new system will provide a political foundation for our country to move forward as a developed nation in the 21st century."

The three-party merger is expected to alleviate somewhat the country's economic problems, such as lagging exports, dwindling investment, and price-instability. The biggest change, however, is expected in the labor movement.

The worsening labor problems that have accompanied the democratization in recent years is due, in large measure, to the nation's political instability. It is viewed that, when the political reorganization takes place with a majority ruling party in the legislature, the basis for labor unrest will greatly diminish.

In order to contain the severe labor problems, however, many repercussions of the merger, such as expected retaliation by PPD (Party for Peace and Democracy), conflicts among the members of the newly created party, exacerbation of regional rivalries, etc., must be effectively resolved.

It is expected that the nation's North Policy regarding trade and exchanges will become our "new frontier," and progress at a more rapid pace.

Until now, the progress of our policy toward North Korea has been often stymied by the instability of national politics. Each party had a say in the "national reunification theory." If, however, a consistent and viable policy toward North Korea can be established and carried out, economic exchanges with Eastern Europe, the Soviet Union, and China can make rapid progress in the future.

In the event economic policymakers can carry out their policy without worrying about partisan disputes, they can pay more attention to achieving price-stability and balance in wealth distribution for the welfare of the public.

Although it appears that there is generally more optimism, the three-party merger's influence on the nation's economy is widely regarded with a mixture of some optimism and some pessimism.

The Economic Policy Planning Board and the Korea Development Institute (KDI) estimate this year's annual growth rate to be five to 6.5 percent. They predict it would be possible to achieve 6.5 percent growth only if labor-stability and peace in industries can be maintained. If there is no disruption in economic growth as a result of the political restructuring, it may even be possible to achieve a growth rate above 6.5 percent and to reach the export-goal of $66 billion this year.

Since this political reorganization has not, however, come about as a result of a general consensus but has been created by means of political maneuverings, it is predicted that our economy will move with the political tide of the future.

Newspaper Criticizes Recent Cabinet Reshuffle

SK2203044390 Seoul HANGYORE SINMUN in Korean 18 Mar 90 p 6

[Editorial: "Cabinet Reshuffle by Ignoring the People's Expectations—Appointment of 'Tainted' Figures Is Unconvincing"]

[Text] The new Cabinet took shape after the replacement of 15 ministers. The appointment of Cabinet members is the exclusive jurisdiction of the prime minister and the president. However, the Cabinet reshuffle emerges as a matter of interest to all the people because the various policies the Cabinet formulates and implements are directly related to the people's living. At any rate, we are under the impression that the figures recently appointed as new ministers are short of the ability to give the people new hope for the future by settling today's difficulties. This view is not formed merely on the basis of a common saying, "the same food with the same side-dishes," because we think it is not appropriate to reject the appointment of new ministers merely for the lack of freshness since the maturity of their statesmanship is also important.

The newly appointed figures in the economic field and in the Cabinet, including the deputy prime minister and the senior presidential economic secretary, unfortunately have been "tainted with the dirt of the past." The key positions in the operation of economic policies are given to those who have had disagreeable careers and directly participated in or indirectly cooperated with the tyranny of the Democratic Republic Party [DRP], which has driven the nation into a mass of foreign debt on the pretext of the "growth first" principle, and of the Democratic Justice Party [DJP], which unhesitatingly oppressed the farmers and workers on the pretext of stability. This decision itself may cause the people's suspicion as to the will of the appointing personnel. If the various policies they put forward in the future are apt to return us to those of the "past," which we have witnessed and learned from, this would repeat another foolish act of intentionally ignoring the lesson taught by the last days of the DRP and DJP.

What we are truly concerned about is not their past acts but the opinions and acts they have shown recently. They are the very people who took the so-called initiative of amending the innovative legislation that the ruling party itself had put forward. Moreover, they did so by loudly advocating the postponement of the system of using real names in financial transactions and the comprehensive land tax assessment system. Thus, we have come to the conclusion that the attempt to draw trust and popularity from the people by appointing these figures is, from the outset, an erroneous decision far from any expectations for success. Furthermore, the fact that they are excessively involved in actual politics causes concern that their indiscreet political desire may harm the essential economic logic. This harm might come despite our expectations that their involvement may well contribute to harmony between the party and Cabinet. If one understands how ardently the people look forward to the system of using real names in financial transactions and the comprehensive land tax assessment system, one can realize the significance and result of the "unreasonable acts" they have committed. It is our honest opinion that the appointment of Cabinet members who can hardly win the people's trust will be beneficial neither to the nation's economy nor to the ruling party itself.

Number of Street Demonstrations 'Fewer' in 1990

SK2203062690 Seoul YONHAP in English 0555 GMT 22 Mar 90

[Text] Seoul, March 22 (YONHAP)—There have been fewer demonstrations, along with fewer firebomb throwings and raids on public facilities by protesters, in South Korea this year than last, national police headquarters said Thursday.

As of March 15, there had been 570 demonstrations nationwide, down 26 percent from 769 in the same period last year, and the number of participants plunged 63 percent to 103,800 from 281,600, a police spokesman said.

The number of protests caused by industrial disputes fell 66 percent to 79 from 232, he said. The number of campus rallies was 230, up 25 percent from 184, but the number of participants fell 40 percent to 37,500 from 63,000. There were 62 street demonstrations by collegians, down from 235.

Mass protests by the underprivileged, designed to air the grievances of, for example, street vendors and squatters being displaced, soared 69 percent to 199 from 118, however, and had 34,000 participants, up 27 percent from 26,800, the spokesman said.

The number of times roads or railroads were occupied by the these protesters was 20, up 35 percent from 13, showing a radicalization of demonstrations by the underprivileged.

The number of demonstrations with firebombs fell to 89, down 51 percent from 180, while 53 protests featured rocks and wooden bars, down 59 percent from 129, and detentions were made in only two cases compared to over 13 last year.

Police are ready to enter 76 universities and 80 major companies to counter illegal protests on campuses and workplaces, the official said. Riot police will go onto campuses if students have set a fire or detained a person, and university authorities have requested the action, and undercover police will infiltrate campuses to arrest fugitives and seize "impure" books, he said.

Police are poised to crack down on occupations of factories, illegal sit-ins where there is detention or obstruction of work, agitation of violent revolution or attacks on liberal democracy, he said.

Burma

Commentary Discusses U.S. Demand for Khun Sa

BK2103143190 Moscow in Burmese to Burma 1030 GMT 21 Mar 90

[Aleksandr Vladimirov Commentary: "What Lies Behind Washington's Demands"]

[Text] According to reports from Yangon [Rangoon], the United States is demanding that Khun Sa, 62, the man in charge of the drug production in the Golden Triangle and also known as the drug kingpin of Southeast Asia, be handed over to the United States. Our station observer, Aleksandr Vladimirov, says observers who have been studying the situation in Myanmar [Burma] and neighboring regions have been expecting this to happen for some time.

In recent times, particularly in places under the influence of the U.S. administration, the Western media has quite frequently reported that opium production from the poppy plantations of Southeast Asia will be set record highs this year and that the local authorities have no capability of combatting this threat. Western news agencies have been quoting figures that, following the successful slowing of the drug inflow from Colombia, the gravest threat now against the United States is from drugs produced in Southeast Asia.

In responding to the demand by the United States, a spokesman for the Myanmar [Burmese] military government commented that it is not easy to capture the drug kingpin. According to comments by that spokesman, Khun Sa's men are well-equipped with arms and are moving about quite freely in their own territories. Either knowingly or unknowingly, the Yangon government spokesman was playing into the hands of the United States when he commented that it is difficult to fight the drug kingpin, Khun Sa. Our observer says the demand that Khun Sa be handed over to the United States is but part of a greater scheme against the military government in Myanmar.

Since the military coup in Myanmar, Washington has more than once said that some of the political leaders in Myanmar are either involved in or turning a blind eye to the drug trade in the country. It would be difficult to gauge the accuracy of such an accusation at this time, but reports on Thai and Myanmar officials cooperating with Khun Sa are reported not only in the American press but also in other newspapers. For instance, the LE MONDE DIPLOMATIQUE last summer carried an article about the business of valuable teak at the Thai-border. A conservative newspaper in Bangkok also said that during a visit to Yangon in 1988, the Army commander in chief was able to persuade the local authorities to negotiate with Khun Sa. Such negotiations, it is said, led to the delivery of Myanmar logs to Thailand, which is facing forest depletion. THE FAR EASTERN ECONOMIC REVIEW of Hong Kong also said recently that Yangon is directly involved in the drug trade. It would be difficult to say if these reports had any political motives. What can be said here is that the United States and the Western governments have strongly criticized the General Saw Maung government for its harsh enforcement of law in the country and for repression of opposition parties. Some observers say the drug question may become the key issue to criticize the Yangon military government.

A similar situation was seen recently in Panama. The political leader who did not agree with the United States policy was accused of involvement in the drug trade and was later arrested after U.S. forces entered Panama. No one would go so far as to say that Washington will make a similar decision on Myanmar. According to news reports from the United States, this thinking can be changed. According to a TASS correspondent in the U.S. capital, it has been reported that if the Myanmar Government is not strong enough to deal with Khun Sa, the United States Government will make its own arrangements by seeking the assistance of the Pentagon to capture Khun Sa.

Who then can guarantee with any certainty that no threat will be made against the Myanmar authorities who are also accused by several U.S. spokesmen of being accomplices to the drug kingpin? It is natural that the news has been taken badly in Yangon. Only a few days ago, the spokesman of the Myanmar military government reminded journalists about the special UN conference on combatting illegal production and distribution of drugs. Our observer says both the United States and Myanmar which attended the conference had pledged not to violate the sovereignty of another nation in combatting the threat of narcotic drugs.

Military Rulers Urged To Ensure Fair Elections

BK2103130390 Delhi External Service in Burmese 1115 GMT 21 Mar 90

[From the "Current Burmese Affairs" program by U Maw Thiri, who is in charge of the Burmese broadcasting service]

[Text] Dear 39 million pro-democracy listeners: We send you our good wishes and pray that 27 May [the election date] will go down as an outstanding and glorious landmark in Myanmar [Burmese] history, and that all 39 million of you, Myanmar people, will be able to grandly celebrate the victory of democracy after a government of your choice is elected.

First, let us take a look at the situation of the elections to be held by the Myanmar military government. Today, the law and order situation in the country has improved to such an extent that the imposition of martial law is no longer justified. This being the case, any effort by the military government to lift curfew and martial law restrictions would be extensively and warmly welcomed by the people. We have learned that the military government headed by General Saw Maung has said it has nothing to do with the events that took place over the military capacity for outgoing U.S. forces and deterrence against North Korean attack is ensured.

Yi ordered all three branches of the Armed Forces to step up practical combat capability by putting top emphasis on munitions, for instance, in implementing the Armed Forces modernization project that was begun in 1974 and to cut spending on facilities and real estate as much as possible.

On possible arms reduction between South and North Korea, Yi said: "Our policy on arms control is to begin with confidence building between South and North and to develop it into arms limitation and arms reduction gradually, based on the change in North Korea's attitude.

"Unless the North changes its current policy toward the South, only consistent improvement of capability and confident defense preparedness can bring the North to the conference table to discuss practical disarmament."

Yi urged military commanders to remind servicemen that "the Army and the Communist Party in the North are our enemies as long as Pyongyang sticks to its policy to communize the South by force."

New Energy Minister Vacates Assembly Seat

SK2103022690 Seoul YONHAP in English 0215 GMT 21 Mar 90

[Text] Seoul, March 21 (YONHAP)—Energy and Resources Minister Yi Hui-il, saying he wanted to devote full time to his Cabinet post, resigned his seat in the National Assembly on Tuesday.

Yi, named to the Cabinet on March 17, submitted his resignation to Speaker Kim Chae-sun. Former lawmaker Kwon O-suk, 67, ranked No. 1 on the now-defunct New Democratic Republican Party's reserve list, will automatically fill Yi's national constituency seat. Kwon, a native of Hwasong, Kyonggi Province, was until last month a special assistant to Kim Chong-pil, whose new Democratic Republican Party merged into the Democratic Liberal Party. Kim is one of three co-leaders of the new ruling party.

Lawmaker Fined for Election Irregularities

SK2003031090 Seoul YONHAP in English 0220 GMT 20 Mar 90

[Text] Kangnung, Korea, March 20 (YONHAP)—A ruling party lawmaker has been fined 1.5 million won (2,150 U.S. dollars), a sentence that could strip him of his National Assembly seat if it is upheld on appeal, for election law violations. The Kangnung District Court handed down the sentence Monday in the trial of Rep. Hong Hui-pyo of the Democratic Liberal Party (DLP), who was indicted without physical detention last April on charges of violating the National Assembly Election Law in a by-election in Tonghae, an east coast port.

If an assemblyman is sentenced to a jail term, confinement or a fine exceeding 500,000 won, the law requires that his election be nullified and another election be held. A lawmaker who is fined more than 100,000 won in connection with a parliamentary election loses his eligibility for election. It is almost unprecedented for a ruling party lawmaker to be found guilty in South Korea.

The ruling is seen as a strong signal by the judiciary that it will sternly strike down corrupt elections, which have been common due to heated rivalry between Korea's political parties.

Hong, a two-term lawmaker, said after his sentencing he will appeal.

The District Court fined three losing candidates in the election and their campaign managers up to 1.5 million won each and sentenced three campaign workers for each of the three to six-month jail terms.

The campaign managers were charged with violating the election law by illegally putting up campaign posters and placards and making street broadcasts in the by-election, which was so deeply riddled with irregularities and widespread corruption that the Central Election Management Committee filed complaints en masse with the prosecution during the campaigning.

* Government Plans To Aid Small Businesses

902C0123A Seoul MAEIL KYONGJE SINMUN in Korean 25 Jan 90 p 3

[By reporter Sim Hong-sop: "The Government's Aid Plans for Medium and Small Industries for 1990 To Focus on Nurturing Technologically Promising Enterprises"]

[Text] The Ministry of Trade and Industry, focusing on fostering medium and small [M&S] industries, plans to actively push measures to upgrade them structurally this year.

Last year, the nation's industry lost much of its competitiveness due to factors such as the appreciation of the won and labor-management disputes. Big businesses were still able to cope with the difficulties by relying on their funding, informational and technological advantages. But M&E enterprises have been hit triply hard since they lacked such resources.

Since the start of the Sixth Republic, the government grabbed every available opportunity to publicize what it called M&E industry development policy; in fact, however, the publicity has more often than not ended up as a mere slogan. Precisely for that reason, whenever the economy slides into a slump, M&E enterprises would either go bankrupt, one after another, or be forced to reduce their operations.

past 26 years. Since this is the case, it would be useless to talk about the past. True, Gen. Saw Maung can be proud of the fact that he helped improve the economic situation, facilitate the communications network, renovate the urban areas and city buildings, and construct new parks. However, curfew and martial orders still remain in force, political leaders are still in detention, and restraints are still imposed on political campaigns, travels, speeches, assemblies, and slogan chantings. We profoundly pray that the situation will be corrected as soon as possible, that the military government will not be blamed in any way by the people, and that the elections on 27 May will truly be free and fair.

The most important point is to ensure the elections are truly free and fair by releasing those in detention who are regarded as leaders by the people as well as those arrested under law and order circumstances, and to permit those released to join in the elections. This will create a more pleasant atmosphere for the elections. A saying goes: If you really want to give, give the whole thing away; if you truly want to feed someone, feed him to the limit. We have to add that if the elections are to be held, let them be free and fair and let them be held with the support of all 39 million people. If this can be done, everyone will sing praises and the situation will improve.

High-ranking Myanmar military officials have said quite often that they love the country and people even more than their own lives. The time is ripe to match these words with deeds, and by doing so, Gen. Saw Maung will find great satisfaction with himself as the people in the entire country commend him. Today, the whole world is watching the military clique headed by Gen. Saw Maung. The general and his colleagues will have performed the country's highest duty if they are brave enough to correct the errors of the past. The multiparty democratic general elections to be held at the end of May are the yardstick to decide how the military government will go down in history. If the elections turn out to be fair and free and are held in a way that fully satisfies the wish of the people, the military leaders headed by Gen. Saw Maung will probably be treated by the people as patriots and heroes of the Myanmar Defense Services.

Saw Maung Receives Thai Envoy's Credentials

BK2203040890 Rangoon Domestic Service in Burmese 1330 GMT 21 Mar 90

[Text] Senior General Saw Maung, chairman of the State Law and Order Restoration Council [SLORC] of the Union of Myanmar [Burma], accepted the credentials presented to him by the newly accredited Thai ambassador to the Union of Myanmar, Mr. Suraphong Posayanon, at 0930 today at the Dagon House at the Ministry of Defense. Present on the occasion were Major General Khin Nyunt, secretary-1 of the SLORC; U Ohn Gyaw, director general of the Political Affairs Department of the Foreign Ministry; and Colonel Thura Aung Htett, director general of the Protocol Department.

Saw Maung Meets Malaysian Armed Forces Chief

BK2203072690 Rangoon Domestic Service in Burmese 1330 GMT 22 Mar 90

[Text] Senior General Saw Maung, commander in chief of the Defense Services of the Union of Myanmar [Burma], received General Tan Sri Hashim bin Mohamed Ali, chief of the Armed Forces of Malaysia, and his party at the Dagon Yeiktha of the Defense Ministry at 1100 today. Also present on the occasion together with Senior General Saw Maung were General Than Shwe, deputy commander in chief of the Defense Services and Army commander in chief; Vice Admiral Maung Maung Khin, Navy commander in chief; Lieutenant General Tin Tun, Air Force commander in chief; Lt. Gen. Sein Aung, commander of No. 1 Bureau of Special Operations; Major General Khin Nyunt, director of Defense Services Intelligence; Maj. Gen. Tin U, Army chief of staff; and Brigadier General Than U, judge advocate general. Accompanying the Malaysian Armed Forces chief to the meeting were Mr. Sallehudin bin Abdullah, Malaysian ambassador to Myanmar, and Lieutenant Colonel (Musa bin Mohamed Sa'id), military attache to Myanmar.

Brunei, Malaysia & Singapore

Malaysia

Mahathir Comments on Illegal Immigrants in Sabah

BK1603095990 Kuala Lumpur BERNAMA in English 0843 GMT 16 Mar 90

[Text] Kuala Lumpur, March 16 (OANA-BERNAMA) - Malaysian Prime Minister Dr Mahathir Mohamed has expressed concern with the rising number of illegal immigrants in East Malaysian State of Sabah. He said in Shah Alam near here Friday [16 March] their number is almost half of the state's population and there is need to keep them away.

"We do have a problem in Sabah as the number of Filipinos and Indonesians there is almost 50 percent of the state population. We must keep them out," he said when commenting on Sabah State Legislative Assembly's approval for a commission of inquiry to investigate alleged issuance of false identity cards to illegal immigrants.

Dr Mahathir, who is home minister, said peninsular Malaysia has a similar problem.

Sabah Deputy Chief Minister Joseph Kurup, who tabled the motion to set up the commission Thursday, said the ruling Parti Bersatu Sabah [Sabah United Party] had proof of certain groups trying to register 60,000 illegal immigrants in the state.

Singapore

Defense Official on Offer of Facilities to U.S.

BK1503141590 Singapore THE STRAITS TIMES in English 15 Mar 90 p 18

[Text] The Government is mindful of the problem which an American military presence could bring, Brigadier General Lee assured Parliament yesterday [14 March]. Hence it is now trying to work out an arrangement with the United States that would provide a "sustainable basis for their forces to use facilities in Singapore".

This meant the arrangement would not be one [in] which "one side or the other [has] significant but ultimately intolerable privileges", he said. The second defense minister (services) was replying to Dr. Ong Chit Chung (Bukit Batok), who said he supported the Government's offer of military facilities to the U.S., but added that it had to be made clear "that we retain our sovereignty and no extra territorial rights would be granted to any foreigners or foreign powers".

The member of parliament added: "While they are on our soil, the American servicemen must respect our laws and customs. And socially, some say, we should expect them to be on their best behavior."

Brig. Gen. Lee said Dr. Ong's concerns were valid and that all visitors in Singapore must abide by Singapore rules. He remarked that he had been reliably informed that American soldiers who came here for rest and recreation and sailors on shore leave were "solemnly admonished" by their commanders before arriving about Singapore's laws, and told not to expect any mercy if they got into trouble.

"I believe they understand this because we have had very few problems with U.S. sailors in town... So long as any deployment in Singapore is on the same basis, I think there would be no problem," he said.

In his response, the minister also reiterated that it was in Singapore's strategic interest to have the U.S. in the region "for as long as possible". This was why Singapore had been prepared to offer the U.S. the use of some facilities here. By making the offer, it was also sharing some of the political burden, now borne only by the Philippines, of playing host to U.S. forces in the region, he added.

President, Premier Congratulate Gorbachev

BK2103131990 Singapore THE STRAITS TIMES in English 21 Mar 90 p 1

[Text] President Wee Kim Wee and Prime Minister Lee Kuan Yew have sent their congratulations to Mr. Mikhail Gorbachev on his election to the newly-created post of Executive President of the Soviet Union. Sending his warmest congratulations to President Gorbachev, President Wee said in his message, dated March 19:

"I am confident that under your distinguished leadership, the friendly relations between our two countries will continue to develop. I wish you good health and continued success in your endeavors. Accept, Excellency, the assurances of my highest consideration."

Mr. Lee, whose message was dated March 17, said the Government and the people of Singapore joined him in conveying warmest congratulations to Mr. Gorbachev. "We wish you success in your endeavors to restructure and democratize the Soviet Union. Thank you for your good wishes, which Prime Minister Nikolay Ryzhkov conveyed when he came to Singapore last February. I reciprocate your warm greetings. Prime Minister Ryzhkov's visit opened up a new chapter in our bilateral relations.

"I am confident Singapore's economic relations with the Soviet Union will grow in strength under your policies of restructuring. Accept, Excellency, the assurances of my highest consideration."

The texts of the messages were released to the media yesterday

Second Minister on Naval Base Expansion Plan

BK1603111390 Singapore THE STRAITS TIMES in English 15 Mar 90 p 1

[Text] A new naval base to help ease congestion at the cramped Pulau Brani Naval Base is being built at Tuas. But the long-term plan is to replace Brani with a new base to be sited on reclaimed land at Changi, near the airport. Disclosing this in Parliament yesterday, Brigadier General (Res) [reserves] Lee Hsien Loong said of the proposed Changi naval base project: "This is presently being studied and will be done, but I do not see that being completed until probably next century. It's a long-term project".

The Tuas naval base, which will be smaller than the present Brani base, will not replace the latter, but will only provide additional space and facilities, he added. Work on 28-hectare Tuas base, sited near the Far-East Levingston shipyard, has already started, with dredging of the harbour basin currently underway. Construction of a pier and wharf facilities will be completed by the middle of next year, with the "overall development" scheduled for completion by end-1993.

Brig. Gen. Lee, who is the Second Defense Minister (Services), was replying to Mr. Wan Hussin Zoohri (Aljunid GRC) [Group Representation Constituency] who wanted to know if, in line with its modernisation plans, the Ministry of Defence was planning to relocate the Pulau Brani base, which is near Sentosa. "While its good to have the navy protecting citizens and tourists in that area, does the navy not feel restricted operating in such an area?" asked Mr. Wan Hussin.

Agreeing, Brig. Gen. Lee noted that a host of developments, such as the navy's bigger fleet of 31 ships and the Port of

Singapore Authority's expansion of its container facilities onto Pulau Brani, had made the area very crowded.

"The navy is beginning to feel like the Arab in the tent," he said. But as the Changi project was a long-term one and the new Tuas naval base would only help take over some of the operations, he said that "the long and short of it is: we will have to live in Brani, cramped as it is, for some time".

Cambodia

Phnom Penh Troops Reported 'Poised To Attack'

BK2203122890 Hong Kong AFP in English 1127 GMT 22 Mar 90

[Excerpts] Bangkok, March 22 (AFP)—Cambodian Government troops are poised to attack two strategic positions near the Thai-Cambodian border held by guerrillas, a spokesman of the Thai military supreme command said here Thursday [22 March]. Lieutenant General Narudon Detpradiyut told a press conference that Hanoi-backed Phnom Penh troops were preparing to launch offensives against Thmar Puok and Pailin, both in northwestern Cambodia. [passage omitted] Lt. Gen. Narudon said a victory by the Cambodian troops in seizing Svay Chek last month had "boosted their fighting morale." Guerrillas claimed the government troops were able to capture the village because of help from Vietnamese troops.

Svay Chek was recaptured from the KPNLF [Khmer People's National Liberation Front] guerrillas by a Phnom Penh mechanized force supported by some 2,500 troops on February 23. The resistance guerrillas have repeatedly charged that Vietnam still maintains its troops in Cambodia, a claim the government has rejected. "There's still no proof that Vietnam maintains its troops in Cambodia," Lt. Gen. Narudon said, adding that the presence of Vietnamese troops in Cambodia had yet to verified.

Paper Urges More Efforts To Recruit Soldiers

BK2003083990 Phnom Penh Domestic Service in Cambodian 2300 GMT 19 Mar 90

[PRACHEACHON editorial: "Vigorously Promote the Task of Recruiting Soldiers To Ensure Sufficient Strength in Assuming the Task of Defending the Country and Nation"]

[Summary] In the 1990's, the entire party, Armed Forces, and people are working together to build and strengthen the Armed Forces, both in quantity and quality, and gradually improve them. The Law on the Duty To Defend the Motherland has been disseminated and implemented in every locality. In 1989, the target of the army recruitment work was exceeded with Siem Reap-Oddar Meanchey, Kompong Cham, Svay Rieng, Prey Veng, Phnom Penh, Battambang, Kandal, and Preah Vihear Provinces achieving the best results.

Along with this situation, we also realize that a number of points have negatively influenced army recruitment work. Provinces, cities, precincts, and districts have made great efforts, but the efficiency, organizational work, and implementation of the Law on the Duty To Defend the Motherland has still been limited and has not yet responded to the requirements of this new phase. Some localities stressed only quantity and left quality lacking. They were not in control of the registration of youths eligible for duty aged 18 to 30 and were not fully in charge of maintaining a list of youths in their 17-year-old preparatory stage. The implementation of policies toward the front and rear battlefields has not yet been smoothly carried out.

Faced with these issues we should, in 1990, strive to urgently improve them while the Pol Pot, Sihanouk, and Son Sann enemies continue the bloody war, massacre the people, and destroy social and national gains. The struggle requires that the party, Armed Forces, and people continue to be self-reliant and have firm confidence in their own forces. Thus, we should all have the view that the Armed Forces are the life of the political regime and state authority with regular troops serving as the core. We should all understand that each of us is responsible in determining victory or defeat on the battlefield.

In 1990, all levels and sectors should vigorously pool their efforts to build firm and strong Armed Forces in every field, quantitatively and qualitatively, by considering army recruitment work as the most important task. Contributions should be made to build up the army to the required strength with good quality. The army recruitment process should be based on the strict and equal implementation of the Law on the Duty To Defend the Motherland. Proper administration and registration of youths for duty are the most urgent tasks for localities in the communes, wards, districts, and precincts. These localities should strictly and firmly implement and carry out these tasks by closely cooperating with relevant institutions. In each recruitment phase, model families and combatants should be used to encourage others. Cadres and party members at all levels and sectors should serve as models in sending their children and relatives to serve in the army. Discipline should be imposed to prevent in a timely manner those persons who cause disorder, create confusion and negativism, and hide or encourage youths to evade their duty to defend the motherland.

Central Committee Greets Lao Party Anniversary

BK2203061590 Phnom Penh Domestic Service in Cambodian 2300 GMT 21 Mar 90

[Text] The Kampuchean People's Revolutionary Party [KPRP] Central Committee has sent a greetings message to its Lao counterpart on the 35th founding anniversary of the Lao People's Revolutionary Party [LPRP]. The message says in essence:

On the 35th founding anniversary of the glorious LPRP, on behalf of the KPRP and the Cambodian working class and people, we would like to convey to comrades and, through you, to the Lao party members and working class as well as the brotherly Lao people our most sincere sentiments and warmest congratulations. In the 35 years of continued heroic struggle by the Indochinese Communist Party headed by the revered Chairman Ho Chi Minh, the LPRP has led the Lao people to surmount countless difficulties and obstacles. It has achieved continuous, great victories over French colonialism, Japanese fascism, and U.S. imperialism as well as reactionary forces inside and outside the country who are attempting to overthrow the Lao People's Democratic Republic [LPDR], the mainstay of the Lao working class and people.

The Fourth LPRP Congress has outlined the country's multifarious reforms to stabilize and energetically promote the Lao economy. The LPRP Central Committee's plenary sessions have considered a great many fundamental measures to gradually bring the Fourth LPRP Congress' resolutions to success. The great achievements of the LPRP and the Lao people have expanded and strengthened the LPDR's dynamism and image, significantly contributing to the cause of revolution of the three Indochinese states and in the interest of peace, stability, and cooperation in Southeast Asia.

On this historic opportunity, we would like to renew our heartfelt gratitude for the constant and valuable support and assistance given by the LPRP and the fraternal Lao people to the KPRP and the Cambodian people in their relentless struggle to defend and build the Cambodian motherland. May the relations of solidarity, friendship, and all-around cooperation between our two countries' parties and peoples, as well as between the parties and peoples in the three Indochinese states—Cambodia, Vietnam, and Laos—further develop and consolidate in this new stage of revolutionary struggle conducted by each of us.

Leaders Visit Embassy

BK2203065790 Phnom Penh SPK in French 0405 GMT 22 Mar 90

[Text] Phnom Penh, 22 March (SPK)—A delegation of the party and the State of Cambodia led by Tie Banh, member of the Kampuchean People's Revolutionary Party Central Committee Political Bureau, vice-chairman of the Council of Ministers, and minister of defense, called on the Lao ambassador in Phnom Penh on the occasion of the 35th founding anniversary of the Lao People's Revolutionary Party [LPRP].

General Tie Banh evoked the militant solidarity displayed by the three Indochinese peoples in their victorious struggles against French colonialism, Japanese militarism, and U.S. imperialism for their own national independence. He extolled the great achievements recorded over the past 35 years by the fraternal Lao people under the astute, clear-sighted leadership of the LPRP.

Tie Banh expressed profound thanks to the Lao party, government, and people for their valuable aid to Cambodia in its national defense and construction movement and for their unswerving support for the State of Cambodia in the international arena and, in particular, in the process of achieving national reconciliation and a political settlement of the Cambodian problem. The Cambodian leader held that the three Indochinese countries must further strengthen their relations of friendship, solidarity, and cooperation in the interests of peace and stability in Southeast Asia.

Meanwhile, Prach Sun, vice-chairman of the party Central Committee Foreign Relations Commission; Ros Chhun, secretary general of the Kampuchean United Front for National Construction and Defense National Council; and Sok An, deputy foreign minister, along with their respective delegations also paid visits to the Lao Embassy.

Resistance Says 100 Students in CSSR Defect

OW2103130190 Tokyo KYODO in English 1202 GMT 21 Mar 90

[Text] Bangkok, March 21, KYODO—About 100 Cambodian students in Czechoslovakia have defected and fled to Austria, and are now in a United Nations camp in Vienna, said a Cambodian resistance faction loyal to Prince Norodom Sihanouk Wednesday. All the students were sent by the Hanoi-backed Phnom Penh government to study in Czechoslovakia.

The office of Sihanouk's representative in Bangkok distributed a letter written by one female student, Ke Suwaddhana [name as received], together with a statement. The letter, addressed to Sihanouk and dated February 26, said there were altogether about 200 Cambodian students in Czechoslovakia and that they had staged a demonstration in Prague last December to call for peace and the independence of Cambodia. The letter said the Cambodian Embassy in Prague, angered by the demonstration, later took all the students' passports and planned to send them back home as traitors. About 100 students successfully fled to Austria, the letter said, and pledged to follow Sihanouk. The Sihanouk faction's statement said that this was the second group of Cambodian students to have defected. The first group was several hundred students in East Germany, who fled to West Germany last December.

Indonesia

EC Official Says Investment Remains 'Attractive'

BK2103145190 Jakarta THE INDONESIA TIMES in English 13 Mar 90 pp 1, 8

[Excerpt] Jakarta—The Representative of the European Community Commission in Indonesia, Van der Meulen, has said that investment in Indonesia remains attractive although the member countries of the European Community (EC) will shift part of their investments to countries in East Europe due to the enormous changes in that part of Europe lately.

"The European Community is of the view that investments in East Europe will be long-term ones. Investments which will shift to East Europe will probably reach ten percent of EC's total global investments. However only after about 40 years can profits be expected from these investments, because of the very long time needed to change from the communist system to the market economy", he said to ANTARA here on Monday [12 March], when he attended a joint ASEAN-EC seminar on "Safety and Preservation of the Environment in Mining in ASEAN."

He said that Indonesia need not be anxious about the shift of EC investments, because for Indonesia the changes in East Europe mean greater opportunities to increase its exports.

He said that investments in Indonesia as well as in the other ASEAN countries would continue to increase, taking into account this region's economic growth which was the highest in the world, while the economic growth in East European countries was very low, even negative.

Meanwhile economic observers in Indonesia are also optimistic about the prospects of Indonesia's economic growth in 1990 and the years to come.

The national economic growth in 1989 reached more than seven percent and, through hard work and good luck, Indonesia can expect a continuous growth of seven percent per year, said senior economist Prof. Mohamed Sadli here last week.

According to Sadli, a considerable economic growth and a steady decline in the inflation rate are Indonesia's strong attractions to foreign investors, besides its market potentials. [passage omitted]

East Timor Governor Views Duty of Officials

BK2203093190 Jakarta THE JAKARTA POST in English 13 Mar 90 p 1

[By Jacob J. Herin]

[Text] Los Palos, East Timor (JP)—Governor Marios Viegas Carascalao has urged officials in this province not to sacrifice the people's welfare for the sake of their personal interests. He said East Timor officials "should not pay attention only to their own interests and neglect the people's welfare."

The governor also said government regulations were intended "for officials too" and not only for the common people to obey. The governor made the remark when installing Jose Valente as the regent of Lautem in this regency capital earlier this month. Valente is a former provincial legislative speaker.

Lisbon-educated Carascalao said at the appointment ceremony that officials should realize that their duty was "to serve and not to ask to be served." It is not proper that the people should serve the government, Carascalao stressed.

In his address, the governor explained that all political parties which existed during the civil war had been dissolved.

East Timorese should understand that there are only three parties existing in the whole of Indonesia today—the Functional Group (Golkar), the United Development Party (PPP), and the Indonesian Democratic Party (PDI), Carascalao told the audience.

He also called on the people to "let go" of the memory of the civil war which tore through this region prior to its integration into Indonesia in July 1976.

Then in an emphatic manner, Carascalo said that since integration there had been no such parties as Apodeti [Democratic Popular Association of Timor], UDT [Democratic Union of Timor], Fretilin [Revolutionary Front for an Independent East Timor], KOTA [Kalibur Oan Timor Aswain], or Trabalhista [Labor Party]. The East Timorese should stop thinking that they were still divided on the basis of political party membership, Carascalao noted.

He warned that unless the East Timorese freed themselves from such a perception, they would pursue only their personal interests and the interests of the majority of the population would be neglected. "We would be committing ourselves to sin if that occurred," he said. We would be sinful before God, the nation, and to ourselves." Having said that, the governor challenged East Timorese officials who had criticized the integration process to "withdraw."

He said it would have been better for such critics to have "withdrawn" from the province than to have continued to hold on to their posts and "deceived the East Timorese, deceived the Almighty, and deceived themselves as well."

Concluding his address, Governor Carascalao said regents should work to prevent their subordinates from manipulating government funds or abusing the power entrusted to them.

Laos

Phoumi Vongvichit Opens Party Anniversary Rally

BK2203140690 Vientiane Domestic Service in Lao 0904 GMT 22 Mar 90

[Speech by Phoumi Vongvichit, Political Bureau member of the Lao People's Revolutionary Party, acting president of the Lao People's Democratic Republic, and chairman of the committee for the celebration of the

35th anniversary of the party, opening the rally in Vientiane on 22 March in celebration of the 35th anniversary of the party—live]

[Text] Respected members of the rally presidium, beloved comrades and friends, beloved foreign guests:

Today, this solemn rally is jointly held by the party Central Committee, the Supreme People's Assembly, the Council of Ministers, the Lao Front for National Construction Central Committee, the party committee and the administrative committee of Vientiane municipality to commemorate the 35th founding anniversary of the Lao People's Revolutionary Party [LPRP]—a party loyal to the revolutionary cause of the Indochinese Communist Party which was founded, trained, and tempered by beloved and respected President Ho Chi Minh. On behalf of the presidium, I would like to pay homage to the senior Buddhist monks and extend salutations and welcome to representatives of various offices and mass organizations at the central level and in the Vientiane municipality, representatives of various armed forces, and representatives of laboring people and fraternal multiethnic people of all strata. I would like to express intimate attachment to comrade senior party members, national heroes, personages, intellectuals, and all youths and children attending this significant ceremony. [applause] I also would like to extend salutations and welcome to members of the diplomatic corps and experts from fraternal countries for bringing us, at the solemn ceremony today, the fine sentiments of comradely and fraternal friendship. [applause]

This significant grand rally brings about the enhancement of the great strength of the great, invincible solidarity of the multiethnic people of all strata around the party. It reflects our confidence in and profound gratitude toward the LPRP—the only party which has organized and led all victories of the revolution of our country. The rally to commemorate this significant day creates a good opportunity for us to recall the history and traditions of heroic and indomitable revolutionary struggle of the multiethnic people under our party's leadership throughout the past 35 years. I am convinced that this solemn rally will bring more pride and elation over the honorable and glorious party and the heroic Lao nation. With the pride and elation over the glorious history, we are more joyful and maintain an even higher spirit of responsibility over the cause of effecting changes as initiated by our party. The rally also enhances our confidence in the revolutionary ideals and cause of defending and building a prosperous and strong country and a plentiful, prosperous, and happy life. With extreme elation and joy, on behalf of the presidium, I now would like to declare the rally open. On this occasion, I would like to invite beloved and respected Comrade General Secretary Kaysone Phomvihan to deliver a speech. [applause]

Thai Princess Ends Official Friendship Visit

Visits Provinces 20-21 Mar

BK2203030390 Vientiane Domestic Service in Lao 1200 GMT 21 Mar 90

[Excerpts] After concluding her visit to Luang Prabang Province, Princess Maha Chakkri Sirinthon of the Kingdom of Thailand arrived in Pakse District of Champassak Province at 1140 on 20 March on board a special plane provided by the Lao Government. At the airport, the princess was welcomed by the administrative committee of Champassak and local residents of Pakse District.

At 1150, the princess proceeded by helicopter to Vat Phou Temple. At the temple, nine Buddhist monks chanted a prayer while she performed rites of worship. The princess presented copies of the Tripitaka [Buddhist scriptures] and a Tripitaka cabinet to the temple before touring the ancient stone hall of the temple. At 1500, the princess left Vat Phou Temple by helicopter for (Khon Phapheng) waterfalls in Khong District. [passage omitted] Upon her arrival in Saravane Province at 1740, the princess was welcomed by Khamphoui Keoboualapha, chairman of the provincial administrative committee, and Saravane people before proceeding to the guest house at (Tat Lo-Tat Hang) waterfalls. At 1939, Khamphoui Keoboualapha and the provincial administrative committee hosted a dinner reception in honor of the princess. [passage omitted]

At 0800 today, Princess Maha Chakkri Sirinthon visited the construction site of the Seset hydroelectric dam. After construction is completed in mid-1991, the dam's production capacity will be 45,000 kilowatts. The first generator will be put into operation on a trial basis at the end of this year. The princess left Saravane for Champassak Province by helicopter. From Champassak, she proceeded to Savannakhet Province on board a special plane and was warmly greeted upon her arrival by the provincial administrative committee and people of Savannakhet Province. She visited Vat (Saignaphoumalan), a large temple in the province, and presented copies of the Tripitaka to the monks at the temple before proceeding to pay homage at the (Ing Hang) pagoda, one of the ancient shrines in central Laos. At noon, the administrative committee of Savannakhet Province hosted a luncheon in honor of the princess. At 1520, Princess Maha Chakkri Sirinthon returned to Vientiane capital on board a special plane provided by the Lao Government.

Departs 22 Mar

BK2203065590 Vientiane Domestic Service in Lao 0500 GMT 22 Mar 90

[Text] Princess Maha Chakkri Sirinthon of the Kingdom of Thailand returned to Bangkok this morning, concluding her official friendship visit to the Lao People's Democratic Republic [LPDR] at the invitation of His

Excellency Phoumi Vongvichit, acting president of the LPDR. During her stay here, the princess visited a number of technical production bases and several places of cultural importance in Vientiane capital and in Vientiane, Luang Prabang, Savannakhet, Champassak, and Saravane Provinces.

An honorable farewell ceremony was held at Wattai Airport. Seeing off the princess at the airport were His Excellency Phoumi Vongvichit, acting president of the LPDR; His Excellency Kou Souvannamethi, justice minister; His Excellency Thongloun Sisoulit, deputy foreign minister; His Excellency Sisana Sisan, chairman of the Laos-Thailand Friendship Association; His Excellency Khamphan Simmalavong, LPDR ambassador extraordinary and plenipotentiary to the Kingdom of Thailand; ministers, deputy ministers, and high-level cadres from various ministries and agencies; and a large number of students and people of Vientiane capital. Also present at the airport were staff members of the Thai Embassy and Thai residents in Vientiane capital.

At 0840, the princess' motorcade arrived at the airport. Princess Maha Chakkri Sirinthon inspected the Lao People's Army [LPA] guard of honor, and the LPA brass band played the Thai national anthem. The Princess then walked past rows of people and received bouquets of flowers from the people and young girls. The Princess chatted with and bade farewell to the people. She shook hands with His Excellency Phoumi Vongvichit and other personalities who saw her off at the ramp of the plane. At 0855, the special Boeing 737 of the Royal Thai Air Force took off. His Excellency Phoumi Vongvichit, distinguished personalities, and people who went to see off the princess at the airport waved their hands and wished Princess Maha Chakkri Sirinthon a safe trip back to Bangkok.

Article Assesses Reaction

BK2203025990 Bangkok BANGKOK POST in English 21 Mar 90 p 8

[Article by Kawi Chongkitthawon: "Revival of Thai-Lao Brotherly Ties"]

[Excerpts] The week-long official visit of HRH [Her Royal Highness] Princess Maha Chakkri Sirinthon to Laos is the most important event in the modern history of Thai-Lao relations. Her trip marked the first visit by a member of Thai Royal Family to Laos in modern times. The closest to a Thai royal visit Laos has had before was in 1972, when His Majesty the King sailed to the Thai-Lao boundary in the middle of the Mekong River in Nong Khai province to attend a ceremony when Thailand started buying electricity from Laos' Nam Ngum Dam.

It was evident that Lao leaders consider Princess Sirinthon's visit an indication of Thailand's growing trust in their country. At first there was some objection in Thailand to the visit. Mr. Khukrit Pramot even expressed doubt in his popular "Soi Suan Phlu" column in SIAM RAT that Vientiane would be able to welcome the Princess properly. That the Princess is now in Laos and apparently enjoying her visit tremendously suggests that the previous doubts and concerns were unfounded.

Lao leaders, especially acting-President Phoumi Vongvichit, have avoided any reference to the controversy that delayed the Princess's visit. [passage omitted] After his first meeting with the Princess, Phoumi revised a speech that he was to give at a dinner banquet held in honour of the Princess. In an earlier draft, there was a reference to "obstacles" in Thai-Lao relations, according to officials who saw the document. In the final speech, Phoumi omitted the reference and instead focused on the "irreversible" growth in Thai-Lao relations given the two countries' historical, cultural and geographic ties. Phoumi noted that both Thais and Laotians were supposed to have lived together in a land called Souvannaphoum—the Golden Peninsula—long before the establishment of the two separate countries.

Recalling the Lao saying, "[illegible] a shelf cannot avoid hitting one another," Phoumi said the ups and downs in Thai-Lao relations were normal for neighbours who share a long boundary. Princess Sirinthorn's visit, Phoumi said, has increased trust that will eventualy revive the state of "kinship" between the two countries. The words "kinship," "kin relations," are used specifically by the Lao side in reference to Thai-Lao ties. The Thais use the term "brotherly relations," which has its origins in the famous phrase "Ban phi muang nong"—"The elder brother's country, the younger brother's country." One senior Thai Foreign Ministry official said that Phoumi's speech was an indication of Vientiane's feeling that a state of normalcy has been restored in Thai-Lao relations. He noted that Phoumi has repeatedly used the phrase "Ban phi muang nong," which Thai leaders have been using for quite sometime. In the past this particular phrase provoked negative feelings in Laos. The elder brother in this case means Thailand, and "muang nong" refers to the country of the younger brother, Laos. Laos prefers the phrase "Ban Kai Heuan Khiang," which means neighbouring countries.

On the day of her arrival, an editorial in PASASON, the official Lao newspaper, said the Princess's visit would help build the mutual trust needed to allow the countries "with the same bloodline" to live in equality and mutual respect. The Princess's trip has undoubtedly brought the two countries closer together. Now it is only natural for the governments and peoples to nurture this relationship so that Thailand and Laos prosper as brothers and neighbours.

Party Foreign Policy in 'New Stage' Viewed

BK2003044090 Vientiane Domestic Service in [illegible] 0000 GMT 20 Mar 90

[PASASON feature: "Under Our Party's Correct Foreign Policy"—date not given]

[Text] At present, our country as well as other countries throughout the world—in particular various socialist countries—are facing the new, difficult, and complicated situation on the path of advancing to the turning point of achieving a new socioeconomic management method that serves the requirements in the new stage. The Lao People's Revolutionary Party [LPRP], under the correct leadership of the party Central Committee with Comrade Kaysone Phomvihan as general secretary, has always pursued the foreign policy of peace, independence, self-mastery, and friendship toward all countries, particularly Vietnam and Cambodia, and maintained cooperation in all respects with the Soviet Union and other socialist countries. It has also maintained cooperation on the basis of equality, mutual benefits, and respect for each other's independence and sovereignty with all friendly countries throughout the world. As a result, favorable conditions have been created for the defense and building of the country, while the role and prestige of our country have been raised to a higher level in the international arena.

With this correct policy, our country has been acclaimed by many friendly countries. For example, Nguyen Van Linh, general secretary of the Communist Party of Vietnam Central Committee and head of the high-level party and government delegation of the SRV, said in his 4 July 1989 speech during a visit to our country: Over the past decades, under the correct leadership of the LPRP—a genuine Marxist-Leninist party—the heroic multiethnic Lao people have won the struggle full of sacrifices and difficulties and have systematically scored glorious victories. In the past two years, under the beacon of the resolutions of the fourth LPRP congress, the fraternal Lao people have endeavored to march forward and have scored great achievements that brought about many positive changes in country's situation. These achievements have reflected the correct and creative application of Marxism-Leninism to the practical conditions of Laos by the LPRP.

In December of last year, General Secretary Kaysone Phomvihan met with General Secretary Mikhail Gorbachev in Moscow. In the meeting, Gorbachev hailed Laos' experiences in applying the Leninist ideals on the new economic policy to the practical conditions in the country. All these have once again proved the varieties of forms in building the new system.

During the visit to the PRC by our high-level Lao party and government delegation in October 1989, leaders of the PRC also acclaimed the direction pursued by the LPRP in the new stage. Comrade Li Peng, premier of the PRC, said in his speech: The visit by Comrade Kaysone Phomvihan has shown that the relations between the two countries and parties of China and Laos have been restored in all respects, thus serving the basic interests of the peoples of China and Laos as well as the interest of peace and stability in the region.

Following the visits to Japan and the French Republic by our high-level Lao party and government delegation led by beloved and respected Comrade General Secretary Kaysone Phomvihan in November and December last year, those two countries have come to understand ever better the economic and social situation and the reform policy of our country. This can be seen in the speech by Japanese Prime Minister Kaifu, who said that Japan will continue to make efforts to strengthen and expand economic assistance to our Lao people. The Japanese prime minister also hailed the political policy implemented in the recent past by the Government of the Lao People's Democratic Republic with to broaden and raise the level of relations in many fields with Western countries.

With this foreign policy, which conforms to the epochal situation, our Lao party and government have drawn considerably more support and assistance in many forms from foreign countries as compared to the past. This has once again proved that the policy and cause of effecting new changes by our party and state are correct, creative, timely, and in conformity with the true situation in the economic and social fields in our country as well as with the common trend of the era's new changes.

Philippines

De Villa Comments on Galido's Coup Revelations

HK2203094790 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 22 Mar 90

[By Vic Pambuan of Mobile Unit No. 13—italicized portions in English]

[Text] Former Southern Luzon Command [Solcom] Chief Brigadier General Alejandro Galido's revelation about the involvement of former First Lady Imelda Romualdez Marcos and a U.S. Government official in the recent failed coup by rebel soldiers, has been the cause of an enigma. Armed Forces of the Philippines Chief [AFP] of Staff General Renato S. De Villa was asked to comment on this during the 93d anniversary of the Philippine Army in Fort Bonifacio today. He said this matter is contained in documents which Galido gave to the justice secretary for investigation and evaluation action, which could serve as an evidence warrant. According to De Villa, the former Solcom chief had already informed him about this when he was the guest of honor during the turnover ceremonies at the Southern Command recently.

When De Villa was asked if Imelda Marcos was involved in the last coup attempt, he replied that based on the intelligence reports he received, the former first lady participated in it. He added that if Galido's revelations are credible, the Justice Department is prepared to file a case, depending on the strong evidence against those persons implicated.

There was a query addressed to the AFP chief if Galido is a strong asset to the government, he said that a Solcom chief, or a general, has the right to report to higher authorities anything that pertains to the country's security.

In another question, De Villa was asked why the AFP remains flat-footed regarding this issue as it had known it for quite some time. He said the military is not flat-footed. They are actually waiting for the right time to make a move.

Regarding the involvement of a U.S. Government official with the rebel soldiers, De Villa replied that many foreigners travel in and out of the country and the truth of this report is still undetermined. He said that whatever are the contents of Galido's report, particularly the involvement of the names of former First Lady Imelda Romualdez Marcos and Harold Magleo of the U.S. Defense Intelligence Agency, will be thoroughly investigated by the Justice Department headed by Justice Secretary Franklin Drilon:

[Begin recording] [De Villa] *...from the documents that have been referred to the secretary of justice. We referred the documents to the secretary of justice for his evaluation, investigation, and [word indistinct] action as the evidence warrants.*

[Reporter] *It was reported that in the affidavit, he was actually reporting to you all along. How would you comment on that?*

[De Villa] *It is true. General Galido, as I said, in the turnover of command was—being directly under command as Solcom commander—reporting to me. This is an operation that is launched by our intelligence community and I got reports.* [end recording]

Meanwhile, Galido, who is ill, is prepared to testify in any case that will be filed against those proven to have participated in the recent failed coup, concretely, those whose names he has revealed.

Aid Cut Not 'Bad Precedent' for Bases Talks

HK2203045790 Manila PHILIPPINE DAILY GLOBE in English 22 Mar 90 p 6

[By staff writer David Jude Sta. Ana]

[Text] Foreign Secretary Raul Manglapus said yesterday that the United States' rejection of the Philippine demand for the restoration of the $96 million cut in the 1990 aid package will not set a bad precedent for the bases exploratory talks between the two sides in April.

Maglapus gave this assurance as he said the Philippines was optimstic the White House would still be able to restore the cut. He indicated, however, that the government may be amenable to a partial restoration of the aid cut, pointing out that the U.S. reply "leaves room for further discussion. Manglapus admitted that the foreign affairs department had expected such a reply from Washington regarding the aid cut. "We were open-minded when we submitted our note to them," he said. Washington had sent a note verbale to the DFA [Department of Foreign Affairs] explaining that it could restore the cut in the $481 million military aid for 1990 because the U.S. Congress had not acted upon the White House's request. Manglapus said the note verbale "is now under study and we are in contact with the U.S. embassy to make sure that we are meeting on the same ground."

The note verbale, he said, answered all the points raised by the government on the aid cut. "We are now in contact with them to determine whether the figures that we are talking about refer to the same things and to explore the possibility of widening the areas of agreement," Manglapus said.

He said the Philippine panel in the exploratory talks, which he heads, will raise the question about the cut when it meets the U.S. panel either on April 18 or 19 in Manila.

The Philippines, under the 1988 Manglapus-Shultz agreement, was supposed to receive $481 million in military aid this year but this figure was reduced by $96 million. The cut was brought about by the U.S. Congress's decision to increase US financial aid to the new democracies in Eastern Europe. The United States had given assurance that the Manglapus-Shultz agreement covered a two-year period and that Washington might be able to restore the 1990 cut in the 1991 commitment.

Lobby Effort Seeks Full Compensation for Bases

HK2203050190 Manila BUSINESS WORLD in English 22 Mar 90 p 12

[By reporter Jose G. Ebro]

[Text] The Department of Foreign Affairs will concentrate its Washington lobby effort on obtaining full compliance from the U.S. Congress to satisfy the requirements of the 1988 Bases Review and resign itself to losing a substantial amount of multilateral assistance funding for 1991, ranking officials yesterday indicated.

This implies adoption of the recommendations of U.S. congressional "liaison" Graeme, Bannerman & Associates [GB&A] contained in a memorandum forwarded to the home office by the embassy in Washington last Feb. 12.

Compensation under the bases agreement is "viewed here as a legal obligation while the MAI/PAP [Multilateral Aid Initiative/Philippine Aid Plan] is considered 'altruistic' development aid," a senior DFA official explained.

GB&A suggested this course of action to "maximize U.S. assistance this year and the next" in the light of U.S. budgetary constraints, current skepticism in the U.S. Congress regarding the multilateral aid initiative and the "alienation of several key allies in Washington" due to President Aquino's decision not to meet U.S. Defense Secretary Cheney.

1991 PACKAGE

With it being "unlikely that both the MAI and the bases agreement commitment will be fully honored" and the perceptions in the U.S. Congress that the MAI/PAP has "accomplished nothing" and is viewed as just "another special program for the Philippines," Graeme, Bannerman's plan is to work for a FY [fiscal year] 1991 package which would include additional military assistance and food aid to cover the $96 million bases compensation shortfall or as an alternative, work for the passage of a supplemental bill to make up for the $96-million shortfall on a "behind-the-scenes understanding that we will accept a (reduced) level of $100 million for the MAI for FY 1991." All in a probable funding target of $652 million for FY 1991, sources said.

However, "public statements should continue to be for full funding of both," a senior Filipino diplomat said.

Such an approach will "enable both sides to stabilize our relations as we go into the bases talks," he said, noting that it "would allow the U.S. to continue its MAI/PAP commitment... although at lower levels, without having to increase its overall assistance to the Philippines over FY 1990."

Since the MAI/PAP runs for five years, it was felt there would be "sufficient time for the U.S. to restore whatover cuts we will suffer for FY 1991."

The firm pointed out that the last "special project, $50 million for land reform in FY 1988, has also gone nowhere" and serves to "strengthen arguments against the MAI."

The Philippine lobbyists cited food aid as the "most promising source of additional funding" but pointed out some needed commodities such as rice cannot be supplied in great quantities.

DIM PROSPECTS

As to development assistance, "With the demand growing (due to developments in Europe and Central America) and the larger Philippine pipeline in place, the prospect of increasing current levels is dim." The Philippines this year received $12 million less than the U.S. Administration request. But, GB&A feels that "if a significant rationalization can be developed, some increase is possible."

"If the Philippines became a major non-NATO ally," the attainment of additional military equipment "could be enhanced," the memorandum opined. It recalled that the U.S. Administration's authorization bill had included an amendment to this effect but legislation was not enacted. "Therefore," the GB&A memo stated, "an alternative vehicle will have to be found if this amendment is to be made into law."

Passage of the Berry Amendment (which would allow the U.S. bases in the CINCPAC theater to purchase Philippine goods) is perceived as inutile in the event the Philippines decides not to enter into a new agreement as the "waiver would only come into force just as the bases are being phased out." Further, it was observed "last year that some very powerful domestic interests will oppose any such waiver."

CLARIFICATION

The Philippine embassy in Washington has, in the meantime, been instructed to clarify the following points for the benefit of U.S. congressmen:

—On the MAI as "a failure"—the CCPAP has reported that of the $3.5 billion pledged in Tokyo last July, $3.407 billion has been programmed, i.e. identified by donors and creditors for financing. Of these, $1,166.25 million are covered by signed agreements; $965.40 million have been negotiated, $420 million are under negotiations, $815.90 million are about to be negotiated, and $40.30 million has been set aside for technical assistance projects. Of the $150 million U.S. MAI funds, made available only last month, $20 million have been allocated for project feasibility studies and $5 million for NGO [expansion unknown] projects. The rest are slated for the development of Gen. Santos (in Mindanao) and national environment programs; and,

—With regard to the alleged unspent $50 million for CARP [Comprehensive Agrarian Reform Program], pursuant to an agreement signed Aug. 28, 1989, the Philippine Government has been able to draw $30.5 million, under a "performance benchmark." Another tranche of $9.1 million was released last Dec. 29.

Envoy Urges 'Neutral and Nuclear-Free' Future

HK2103025790 Manila BUSINESS WORLD in English 21 Mar 90 p 2

[By reporter Jose G. Ebro]

[Excerpt] To protect the country's interest, it must take steps to influence the formation of a new regional strategic order in the light of upheavals in Eastern Europe and the changed superpower relationship.

This was the call of Philippine envoy to Kuala Lumpur Rodolfo Severino in a secret memo to the Department of Foreign Affairs' Asia-Pacific Office dated last March 16.

"The internal political and economic reforms within the Soviet Union seem to militate against any aggressive tendencies which Moscow may have," he observed. "As a consequence, the U.S.' own military presence in East Asia is losing much of its justification as a putative deterrent to the presumed Soviet threat and as a balancing force to the Soviet presence."

With a U.S. pullout seen as an eventuality some years down the road, the Philippines is in a position to assert its voice in the formation of such an order by virtue of its being situated "athwart major sea lanes for international shipping" and its involvement in territorial disputes in the South China Sea, Mr. Severino stated.

The present transition period from bipolar to potential regionalized tensions and conflict is "the right juncture-...for the nations of Southeast Asia to work together to shape the destiny of their region," he said, warning that to "wait and watch passively would be to invite and tempt outside powers to intervene again."

Philippine efforts in conjunction with ASEAN would be aimed at ensuring: that the region does not again become an arena for superpower conflict; that regional disputes can be peacefully resolved and managed; and that China and Japan will be unable to dominate the region "either by intent or by default." To achieve these objectives, Mr. Severino suggested that ASEAN "undertake simultaneous and parallel efforts" toward:

—The dismantling of all foreign bases in Southeast Asia and the denuclearization and neutralization of the region, in other words, acceleration of the realization of Southeast Asia as zone of Peace, Freedom and Neutrality and as a Nuclear Weapons-Free Zone, as proposed repeatedly by the leaders of the ASEAN countries. It may now be realistic to ask the world's nuclear powers to guarantee the neutral and nuclear-free future of Southeast Asia;

—The convening of an international conference on the South China Sea. In view of its claim to sovereignty over all of the South China Sea, Beijing may resist such a conference. But enough support for the idea, may just put enough pressure on Beijing to accede to it, no matter how grudgingly;

—The building, for both economic and stragetic reasons, of bridges to Vietnam and the Hun Sen regime in Cambodia instead of passively going along with the hardline stance of China, Singapore and, to some extent, the United States. Building bridges to the regimes in power in Indochina would be similar to the approach taken by current Thai policy or at least, the Chatichai version of it. Vietnam has left Cambodia almost entirely but remains a regional power to contend with, while Hun Sen and his group appear destined to be a force in Phnom Penh, whether by itself or in coalition with the other Cambodian factions; and

—The development of a cohesive ASEAN approach toward defining, together with Japan and other interested countries, Japan's future relations with Southeast Asia. The same thing could be done with China at a later stage. [passage omitted]

Appointment of Palestinian Envoy Announced

HK2203045190 Manila PHILIPPINE DAILY GLOBE in English 22 Mar 90 p 6

[Text] The Palestinian government has appointed former youth leader Muhammad Hamdona [as published] as Palestine's resident ambassador to Manila, a top of the Palestine Liberation Organization (PLO) official said yesterday.

Shafiq Al-Hut, a panelist in yesterday's "journalist encounter" on the Palestinian issue at the Century Park Sheraton Hotel, said Hamdona's appointment came from the Palestinian government exile-in Tunis.

The appointment implements a decision of both Palestine and the Philippines to establish diplomatic relations made in New York last September.

Foreign Affairs Secretary Raul S. Manglapus announced earlier that Philippine envoy to Morocco Menandro Galenzoga had been name nonresident to the temporary Palestinian office in Tunis.

Al-Hut called on the press and the government to support the Palestinian struggle for a separate state in the occupied territories in Israel.

'Indicator' on Rising Trade Deficit With Japan

HK2003042190 Manila BUSINESS STAR in English 20 Mar 90 p 2

["Indicator" column by Rica D. Delfinado: "RP Trade Gap With Japan Rose 48,829% in 1989"]

[Text] The country's balance of trade deficit with Japan ballooned by a hefty 48,829% from $934,000 in 1988 to $457 million last year, latest data from the National Statistics Office (NSO) show.

Such a substantial leap in the country's trading liabilities with the "land of the rising sun" came as Philippine imports from that country, at $2.043 billion, overtook exports which amounted to only $1.585 billion, for a difference of 29%. Last year's Philippine imports from Japan accounted for 19.61% of the country's total import expenses.

On a year-to-year basis, Philippine exports to Japan grew 11.6% or $165 million from $1.420 billion in 1988 to $1.585 billion last year. But this growth was easily offset by imports which grew faster by 43.8% or $622 million, from $1.421 billion in 1988 to $2.043 in 1989.

Actually, Philippine-Japan trade has always been in the latter's favor since 1981. During the past nine years since then, there were only two occasions in which Philippine-Japan trade emerged with a surplus for the latter. One was in 1984 when the Philippines obtained a $228 million surplus in its trade with Japan and the other, in 1985 when the country's surplus stood at $140.1 million.

Last year's negative balance in the country's trade with Japan was also the biggest since 1982 when the same was recorded at $386.50 million. A consolation is that the deficit during the period after 1985 was less compared to the deficit which arose during the period before 1984.

And until 1988 or after the last positive trade balance of 1985, the Philippine deficit was already decreasing. The emergence of last year's hefty negative balance bodes ill for the coming years.

NSO sources explained the Philippines' continuing sorry state of Philippine trade with Japan is on account mainly of waning Japanese demand for the country's products as against the still strong preference of Filipinos for Japanese goods. Philippine sugar and coconut oil, two of the country's primary exports to Japan, have been pointed to as among the products which have suffered tremendously particularly from competition with cheaper, low calorie substitutes. Philippine prawns, it was learned, remain popular in Japan but exports of the item from Indonesia, India, Taiwan, and Thailand, however, are providing stiff competition.

As a result of the above market conditions, Philippine earnings from its exports to Japan fell $36 million short of the $1.621 billion projected by the trade and industry department for last year.

The department projects again that in 1992, the country's total exports to Japan would reach $2.838 billion, with industrial manufactures such as electronics and metal manufactures cornering the biggest share, at $986 million.

Export receipts from food and food preparations, meanwhile, is projected to reach $575 million in 1992 even as resource-based products will rake in $499 million.

Ramos Agrees To Exchange Program With Singapore

HK2003080590 Quezon City Radyo ng Bayan in Tagalog 0735 GMT 20 Mar 90

[By M.P. Lazaro]

[Excerpt] The defense secretaries of Singapore and the Philippines have agreed that the Singaporean Air Force will have a training program in the country. The latter, in turn, will repair our Philippine Air Force D-130 aircraft. Defense Secretary Fidel Ramos worked out the agreement during a stop-over in Singapore on his way to Kuala Lumpur, Malaysia. He had a courtesy call with Defense Minister Goh Chok Tong. Both officials are preparing for the exchange training program that involves the cadets from the Philippine Military Academy, the Armed Forces of the Philippines [AFP] Command and General Staff College, and its Singaporean counterpart.

Ramos also reported on the AFP's counterinsurgency operation, saying it has contributed to the improvement of peace and order in the country. He added that the Laoag International Airport has been reopened in order to further promote tourism in that region.

Regarding the U.S. military bases issue, Ramos said that the exploratory talks are scheduled to start in the middle of April. He also invited Minister Goh to be an official guest of the Defense Deparment. [passage omitted]

De Villa Names Three New Commanders

HK1903040390 Manila PHILIPPINE DAILY GLOBE in English 19 Mar 90 p 6

[By Dionision Pelayo]

[Text] Gen. Renato S. De Villa, AFP [Armed Forces of the Philippines] chief of staff, announced yesterday three more major appointments in the military.

Brig. Gen. Federico Ruiz, former commander of the Army's 8th Infantry Division based in Samar island, was named Southern Luzon Command [Solcom] chief.

Brig. Gen. Evaristo Carino, PC-INP [Philippine Constabulary-Integrated National Police] commander in Southern Tagalog, was acting SOLCOM chief after Brig. Gen. Alejandro Galido was linked in the foiled December coup attempt and retired.

Brig. Gen. Miguel Sol was designated commander of the Army's 4th Infantry Division based in Cagayan de Oro City vice Brig. Gen. Rogelio Villanueva who will take over the AFP Training Command based in Camp Capinpin, Tanay, Rizal.

Sol used to be the commandant of the Metropolitan Citizen's Military Training Command (MCMTC), the unit that supervises all Citizen's Army Training and Citizen's Military Training conducted in all high schools, colleges and universities in Metro Manila.

The AFP has not decided on the replacement of Brig. Gen. Orlando Q. Antonio, Northern Luzon Command chief, who will retire on March 31, one day ahead of his Philippine Military Academy class 1958 batchmates. Camp Aquinaldo sources said Brig. Gen. Cesar Nazareno, PC-INP commander in Central Luzon, is a strong contender for the position.

The sources also said that Brig. Gen. Rodolfo Biazon, National Capital Region Defense Command chief and AFP deputy chief of staff, will be named the AFP vice chief of staff next month upon the retirement of Rear Admiral Emerson Tangan, the acting vice chief of staff.

Five More People Face Rebellion Charges

HK2003102790 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 20 Mar 90

[By Jannie Francisco]

[Text] Former assemblyman Homobono Adaza, former presidential assistant Joaquin Venus, a general's son, and three other businessmen are facing rebellion charges for their alleged participation in the failed December coup.

Armed Forces of the Philippines Chief of Staff General Renato De Villa filed the case before the Department of Justice this morning. The accused businessmen are Cesar Lopez, Mel Verano, and Medardo Pestano, while the general's son is Edgardo Abenina Jr. His father, Brigadier General Edgardo Abenina, is detained in Camp Crame.

Justice Secretary Franklin Drilon submitted the case for evaluation to the special composite team of prosecutors headed by senior state prosecutor Aurelio Trampe. The prosecution panel will decide if there is a need for inquiry and issue subpoenas to the accused. Drilon brushed aside any insinuation that the rebellion charge against Adaza is meant to harass the opposition party. According to him, the Justice Department simply received the evidence submitted by the Armed Forces of the Philippines, which conducted a fact-finding investigation of the case. He said it belongs to the panel of prosecutors to inquire about the probable cause and try the respondents based on the evidence gathered during the investigation. When asked why the rebellion charge was filed against Adaza only now, Justice Secretary Drilon replied that the investigations have just ended.

Meanwhile, two vital witnesses, whose identities have been temporarily witheld, gave sworn statements in which they narrated a conspiracy in the planning of the December coup with ex-Lieutenant Colonel Gringo Honasan, Brigadier General Jose Zumel, ex-Lieutenant Colonel Billy Bibit, and many others. According to the witnesses, they saw former Assemblyman Homobono Adaza talking to Honasan, Zumel, and others in a safehouse between August, September, and November 1989. The conspirators allegedly discussed the creation of a new government council or a civilian military junta and planned to launch a coup before Christmas in 1989. Former Presidential Assistant Joaquin Venus was responsible for arranging one of the meetings with Zumel, while businessmen Mel Verano, Cesar Lopez, and Medardo Pestano gave material support to the group, participated in arranging meetings, and actually took part in planning the December coup. Abenina, the son of Brigadier General Edgardo Abenina, served as the courier and helped in setting up the meetings.

Subpoenas Issued

HK2103095390 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 21 Mar 90

[By Eloi Aquino]

[Text] The Department of Justice' special composite team of prosecutors has sent subpoenas to former Assemblyman Homobono Adaza and his corespondents in a rebellion suit filed by Armed Forces Chief of Staff General Renato De Villa. They are being required to file counteraffidavits and other evidence on 2 April. The other respondents aside from Adaza are former Presidential Assistant Joaquin Venus; son of Brigadier General Edgardo Abenina, Edgardo Abenina Jr.; and the three businessmen, Mel Verano, Cesar Lopez, and Medardo Pestano. The subpoena was issued by Senior State Prosecutor Aurelio Trampe, the head of the prosecution panel. The witnesses against Adaza and other corespondents are Brigadier General Alejandro Galido; Captain Oscarlito Mapalo, Galido's aide; Colonel Juan Mamorno; Colonel Ernani Figueroa; and Major Eduardo Sebastian. Based on separate sworn statements turned over to the panel, the witnesses disclosed the participation of the respondents in the failed December mutiny.

Rebel Soldiers Recruiting From Bicol Military

HK2103095190 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 21 Mar 90

[By Vic Pambuan of Mobile Unit No. 13]

[Text] Philippine Army Chief Brigadier General Gillermo Flores has confirmed that one of the leading RAM [Reform the Armed Forces Movement] members is in the Bicol region to recruit soldiers from the Army and the Philippine Constabulary [PC] to join the next coup d'etat. According to Flores, Air Force Lieutenant Colonel Eduardo Red Kapunan is in Bicol to get the support of soldiers who are in active service or who have been dismissed. He further said that Kapunan's group was rejected by the soldiers in the area. Though they were reported to higher military authorities, the military failed to capture them.

Kapunan and some armed companions are trying to convince the soldiers and get the military's sympathy in the region by various means. They even distribute letters. Flores says the RAM leadership is having a lot of difficulty recruiting the soldiers because of the military leaders' move to prevent attempts at destabilization. He also stated that the rebel soldiers do not have enough strength to carry out a successful coup because many of the coup plotters involved in the 1 December attempt have already been arrested:

[Begin Flores recording] Red Kapunan was in the Bicol area, but he and his men were not accepted by the PC and Army men there. They were even reported. [end recording]

Three Coup Plotters Arrested in Manila

HK2103084990 Quezon City Radyo ng Bayan in Tagalog 0755 GMT 21 Mar 90

[By M.P. Lazaro]

[Text] Two coup plotters who recently escaped from a hospital were rearrested today, while one of their comrades was also captured last night. The three officials were among the rebel soldiers who led the 1 December coup attempt.

General Reanto De Villa, Armed Forces of the Philippines [AFP] chief of staff, said that Captain Benito S. Chavez was arrested last night by officials of the Philippine Marines for his participation in the December 1989 failed coup d'etat. Chavez, on a warrant of arrest issued by the Philippine Marines and Capital Command-North sector, was arrested at 2000 last night in an apartment at Station Ana, Manila, without any resistance. Chavez was the acting logistic officer and commanding officer of the headquarters of the Marine Battalion Landing Team 4 service company. He occupied the Villamor Air Base at the start of the coup d'etat on the eve of 30 November and was responsible for the attack on Katipunan, White Plains area as rebels prepared to take control of Camp Aguinaldo. Chavez' participation in the coup is presently being investigated by the military, particularly by the AFP special investigation committee.

Meanwhile, the other two coup plotters, who were arrested recently in a house in Paco, Manila that is reportedly owned by Colonel Barba, a brother-in-law of the late Mr. Marcos, were identified as Captain Querubin and 1st Lieutenant Del Rosario. They escaped from the V. Luna Hospital while under treatment. They are now under investigation.

Rebel Military Officer Eludes Arrest

HK2103094790 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 21 Mar 90

[Excerpts] Former Lieutenant Colonel Rodolfo Calzado of the Philippine Air Force today eluded arrest by forces from the Philippine Air Force and Western Police District. Calzado was allegedly involved in the failed 27 January loyalist coup, and also participated in the take over of the Sangley Point in the same 1987 coup. Calzado reportedly managed to escape a tightly cordoned house in Paco, Manila, owned by Colonel Marcelino Barba, husband of Fortuna Marcos Barba. [passage omitted]

Lt. Col. Calzado was detained at Villamor Air Base in February 1990, but managed to escape from detention and has again slipped a dragnet. [passage omitted]

'Renegade' Priest Denies Alliance With Aguinaldo

HK2003063590 Quezon City Radyo ng Bayan in Tagalog 0600 GMT 20 Mar 90

[Text] Father Conrado Balweg personally denied reports that the group of dismissed Cagayan Governor Rodolfo Aguinaldo had joined forces with his own Cordillera People's Liberation Army. Here is Jojo Ismael with the details:

[Begin recording] Father Balweg told Senate reporters he had never seen or talked to Aguinaldo and that he had not received any message from him. The renegade priest met with Senate President Jovito Salonga to pursue their demand in relation to the Cordillera autonomy issue. Balweg said that up to now, there has been no clear result on the ratification of the Organic Law. He restated their demand for the security of the Cordillera region, urging Congress to draft another Organic Act for the Cordilleras. He stressed that they will respect whatever the Cordillera people decide through a plebiscite. [end recording]

Official on Rising Trend of Communist Violence

HK2103030390 Manila PHILIPPINE NEWSDAY in English 21 Mar 90 p 3

[By Reporter Dario B. Agnote]

[Text] The Constabulary chief in Central Luzon has noted an uptrend in violent incidents involving communist insurgents in the first two months of this year.

According to Brig. Gen. Cesar Nazareno, PC-INP [Philippine Constabulary-Integrated National Police] Regional Command 3 chief, his command recorded a total of 47 incidents, or an increase of 24 percent, for the months of January and February this year, as compared to the same period last year.

"The increasing trend of violent incidents could be a part of the series of terrorist actions prior to the launching of the New People's Army (NPA) military campaign notionwide," Nazareno said in a report to Constabulary chief Maj. Gen. Ramon Montano.

In the report, Nazareno enumerated some of the incidents involving the insurgents, such as the liquidation of Javier Hizon, mayor of Mexico, Pampanga, and his police escorts last January 5, the assassination of several policemen in Pampanga and Bataan, and the recent clashes between government forces and NPA rebels.

Nazareno's report contradicts last year's Armed Forces report that insurgency-related incidents are on a downtrend. In their separate reports, both Defense Secretary Fidel Ramos and Armed Forces Chief of Staff Gen. Renato S. De Villa said there was a downtrend in NPA-related incidents. They claimed that the military has reversed the insurgency which they intended to solve before President Aquino's term ends in 1992.

Nazareno also bared a military campaign by the NPA to launch "more aggressive terrorist actions" against military and political targets in Central Luzon.

"The rate of violent incidents involving the CPP[Communist Party of the Philippines]-NPA in the last three months is an indication of the implementation of the party's two-year military plan in the region," Nazareno said.

Cited seized documents from NPA rebels in Central Luzon, Nazareno said the insurgents are up to intensifying their military and political actions in the next few months.

Nazareno said the rebel plan's more significant objectives are: to demoralize the military and CAFGU [Citizens' Armed Forces Geographical Unit] members through liquidation; to launch politico-military actions to delay and prevent the recruitment and formation of the CAFGU; to paralyze active local government officials considered reactionaries in the barangay, municipal and provincial levels through raids and attacks; to launch military actions against landlords and multinational corporations in support of the so-called revolutionary agrarian reform program and to capture military personnel and officials and American servicemen.

Nazareno did not bare his own plans to thwart the rebels' intensified campaign.

Tribesmen Told To Reject Armed Groups

HK2203044990 Manila PHILIPPINE DAILY GLOBE in English 22 Mar 90 p 7

[By A. Garcia]

[Text] The head of the office for Northern Cultural Communities (ONCC) called yesterday on tribesmen in the North to reject armed groups trying to recruit them, following the involvement of some 200 Agtas during the March 4 siege in Tuguegarao, Cagayan.

ONCC executive director Ronald Cosalan also directed his regional and provincial officers to monitor armed groups which have been visiting the cultural communities in the Northern hinterlands.

Cosalan said the tribesmen "are being tricked into joining the (armed) groups for promised economic and financial benefits."

He said that while some 100 tribesmen turned communists guerrillas are undergoing rehabilitation after returning to folds of the law, some 32 Agtas who joined the army of suspended Cagayan Gov. Rodolfo Aguinaldo are detained.

Communist Rebels Move From Negros to Panay

HK2003100990 Manila THE PHILIPPINE STAR in English 20 Mar 90 p 6

[By Rodney Jaleco]

[Text] Communist rebels in Negros Island have been moving into nearby Panay to escape a sustained military offensive there, Visayas Command (Viscom) chief Brig. Romeo Zulueta reported over the weekend.

PC-INP [Philippine Constabulary-Integrated National Police] Commander for Western Visayas (Recom [Regional Command]-6) Brig. Gen. Pedro Sistoza said he has already alerted his forces for the New People's Army (NPA) shift to Panay.

In a briefing for Defense Secretary Fidel V. Ramos, Zulueta said the total NPA strength in Negros and Panay increased from 1,974 and 1,786 in April 1988 to 1,991 and 2,372 in December 1989, respectively.

The military has launched a sustained offensive in Negros Occidental, specially in the so-called CHICKS area (Cauayan, Hinobaan, Ilog, Candoni, Kabankalan and Sipalay towns) to neutralize the insurgency threat this year. At least four combat battalions have been deployed to augment the military units already stationed there. the clearing operations include the deployment of Special Operation Teams (SOT) to liberate NPA-infested barangays.

Panay, which has enjoyed relative freedom from communist depredations the past few years, is beginning to feel the upsurge of NPA a activities, the military commanders reported. The rise, Zulueta explained, can be attributed to their shifting of forces from Negros. Zulueta added that it was only in the two islands where the NPs continued to grow in the entire Visayas.

To counter this, Zulueta said they have launched Operation Lupig Lipol II aimed at achieving "strategic victory" for the government by the first half of 1992. He said they have targetted the dismantling of seven NPA fronts this year and eight more in 1991-92. He added that they intend to liberate 828 communist affected barangays this year, 805 more next year and 450 in 1992.

Zulueta said they expect the NP to be fully neutralized in Leyte this year and in Negros Island next year.

Thailand

Reports Continue on Possible Cabinet Reshuffle

Three Issues Reviewed

BK1803032690 Bangkok BANGKOK POST in English 18 Mar 90 p 8

[From the "Inprint" column: "Life and Death Decisions"]

[Text] The political situation is becoming tighter, because there are less than two weeks left for Prime Minister Chatchai Chunhawan to make decisions on three major issues which can mean life or death for the Government, according to SIAM RAT WEEKLY REVIEW. First is whether Army Chief Gen [General] Chawalit Yongchaiyut will join the Government. Second is the appointment of a new Army commander-in-chief and the last is a possible Cabinet shake-up.

Gen Chawalit, who has announced his intention to retire on April 1, has not yet agreed to the invitation to join the Chatchai Government as Deputy Prime Minister for Security Affairs and Defence Minister. The last negotiations between the two leaders on March 5 before Gen Chatchai left for Europe failed to settle the issue. The problem is that Gen Chawalit will be followed in his resignation by two intimate comrades—Army Chief of Staff Gen Charuai Wongsayan and Armed Forces Inspector-General Gen Phat Akkhanitbut. Gen Chawalit clearly told reporters that "I want them to serve the nation without having to report directly to me and both of them also told me that whatever I do, they will join to help on the same level." This means that Gen Chawalit's condition for joining the Government is that the posts of his two colleagues must have equal importance, the weekly said.

A source at Ban Phitsanulok said that the portfolios which Gen Chawalit would like to offer his comrades were Interior for Gen Charuai, and Foreign Affairs for Gen Phat. These were the posts which, the heir apparent to the Army Commander-in-Chief Gen Suchinda Khraprayun said, had been offered as military quota at the time when Gen Chatchai was forming his government, the weekly said. The reason behind Gen Chawalit setting up such conditions was because he felt he would be able to do little by himself to solve the nation's problems. The making of such a condition in one respect is reasonable, but from another point of view it is tantamount to a refusal to join the Government, the weekly interpreted. This is because Gen Chawalit must know that it would be very difficult for Gen Chatchai since one portfolio belongs to the Social Action Party's quota, and the other is highly important in terms of politics and that should belong to the Chat Thai Party as the core of the government. The only way to comply with the demand is to have a thorough Cabinet reshuffle, the weekly said.

Editorial Views Reshuffle

*BK2003114190 Bangkok THAI RAT in Thai
20 Mar 90 p 3*

[Editorial: "Cabinet Reshuffle"]

[Text] Everyone must agree with Prime Minister General Chatchai Chunhawan that a cabinet reshuffle is normal in the democratic process. Yet, reasons for a cabinet change may vary. The change could be to keep up with the political situation, or it could be to improve administrative efficiency. The ongoing talks about the anticipated reshuffle have not reflected any concern for an individual's capability and efficiency to tackle national problems. On the other hand, it is being stressed that Cabinet ministers who have been in their posts for a long time should make way for others. There even have been suggestions that Cabinet posts should not be monopolized but shared equally among members of Parliament [MP's] who would take turns as Cabinet ministers.

From the beginning, political parties have adopted different criteria in selecting candidates for ministerial posts in the coalition government. Some parties based the selection on seniority of the MP's. Other parties judged their MP's on the amount of money they contributed to the parties or by their control of party members. There are, however, some parties that selected candidates based on their capability and efficiency. Because some political parties selected candidates for ministerial posts based on seniority, financial contributions, and influence, there exist ministers who are not qualified for the posts they hold in terms of capability, background, and experience. This situation has created discontent among ministry officials and has drawn a negative reaction from the general public. The move taken by a certain group in the Social Action Party reflects this situation. This group wants MP's to take turns in holding ministerial posts. They do not care about the suitability, knowledge, and efficiency of the candidates. All these traits are necessary in solving national problems.

When a government is formed by a coalition of parties, with no single party winning an absolute majority in parliament—as is the case in Thailand—the allocation of ministerial posts is based on a quota. The parties involved are allowed a certain number of representatives, depending on the size of the party. Moreover, there are factions in some parties, resulting in competition among groups. This made it difficult to assign ministerial posts to the appropriate people. We hope the elected representatives of the people will bear in mind that national interests must be placed above all else. We hope that these representatives cooperate with the head of the government in choosing the best people in the upcoming reshuffle. This will improve the image of the government, which is already charged with rampant corruption, and most importantly, will bolster the efficiency of the government, which presently faces a host of problems.

Paper on Sitthi Post

*BK1703114590 Bangkok SIAM RAT in Thai
16 Mar 90 p 8*

[Editorial: "The Case of Air Chief Marshal Sitthi Sawetsila"]

[Text] The newspaper THE NATION reported that more than half of the 54 Social Action Party [SAP] MP's [members of Parliament] expressed the view that Air Chief Marshal Sitthi Sawetsila should be moved from the post of SAP leader to the ceremonial post of party chairman and should be removed from the post of foreign minister. The news report did not give reasons why these MP's have such an opinion. It only said that they wanted deputy party leader Phong Sarasin, currently deputy prime minister, to take up the party leadership and let Air Chief Marshal Sitthi assume the post of deputy prime minister in his place. They would also nominate Phong to the post of commerce minister or industry minister. The commerce portfolio is currently held by Subin Pinkhayan, who is targetted for removal from the cabinet by party members while the industry post is held by Police General Praman Adireksan, chairman of Chat Thai Party's advisory board. These MP's planned to trade the Foreign Ministry portfolio with the Industry Ministry portfolio.

No one can confirm if the news report is true. However, there is one interesting point in the report—the suggestion for Air Chief Marshal Sitthi to step down from the post of foreign minister. We agree that it is time to give someone else from the Chat Thai Party a chance to take the foreign minister post. We consider that the era of Air Chief Marshal Sitthi ended when General Chatchai Chunhawan announced his policy of turning the Indochinese battlefield into a marketplace. General Chatchai has not followed the course charted by Air Chief Marshal Sitthi, who finally had to announce he would reduce the Foreign Ministry's active role on the Cambodian issue.

Moreover, we also consider that the ministry's new trade offensive to help find markets for Thai products—which was adopted during General Prem Tinsulanon's government and is the Social Action Party's intention to adjust the Foreign Ministry's role to make it look like the Ministry of International Trade and Industry of Japan—has made little achievements. The Foreign Ministry has not made it clear how it will cope with the current political changes in Eastern Europe or how it will give advice to the government on this issue. East European countries could be our rival trade partners in the future because they have more advanced technology and their labor is not expensive. This example shows that the Foreign Ministry under the leadership of Air Chief Marshal Sitthi Sawetsila is not active enough. Perhaps a new foreign minister would be more competent and able to make more significant achievements.

Sitthi Keeps Top Post

BK2203011590 Bangkok BANGKOK POST in English 22 Mar 90 p 3

[Excerpt] Senior members have defused the Social Action Party's [SAP] crisis over a move to oust party leader Sitthi Sawetsila by announcing that ACM [Air Chief Marshal] Sitthi will keep his Foreign Ministry post and continue to head the party. But it appears inevitable that there will be some change in the SAP ministerial line-up with at least two ministers almost certain to be targeted for replacement—Deputy Commerce Minister Phinya Chuaiplot and Deputy Foreign Minister Praphat Limpaphan. The announcement that ACM Sitthi would retain both his ministerial and party posts was made yesterday by Deputy Prime Minister Phong Sarasin, who is also SAP deputy leader.

ACM Sitthi's secretary, MP [member of Parliament] Montri Danphaibun, said yesterday that Mr Phong would host a dinner at his home in Soi Sala Daeng off Rama IV Road tonight for all SAP ministers, MPs and executive committee members. This is viewed as a move to reconcile their remaining differences and forge unity within the party. Mr Phong, ACM Sitthi and Transport and Communications Minister Montri Phongphanit, who is SAP secretary-general, met at ACM Sitthi's home on Tuesday night to discuss the move to oust ACM Sitthi as party leader and to effect a Cabinet reshuffle involving SAP ministers. Mr Phong said the meeting agreed that ACM Sitthi would continue to lead the SAP as well as keep his Foreign Ministry post and that the SAP would not swop its portfolios with the other coalition parties in the impending Cabinet reshuffle. "This will end the SAP problem," Mr Phong said.

Mr Phong's announcement came as SAP ministers lunched with ACM Sitthi at the Foreign Ministry yesterday, while Kalasin MP Apichat Halamchiak and 10 other SAP MPs met Mr Montri at his home yesterday morning to discuss Monday's party meeting. Although ACM Sitthi described his lunch with the SAP ministers as a "regular meeting" taking place every two months, the event was seen as a show of support for him. "This (the decision) shows that senior members still cooperate with one another and support ACM Sitthi," Mr Phong said. "He's happier now and won't have to take sleeping pills as there is no longer a move to oust him," he said. Asked about other possible Cabinet changes, Mr Phong said another meeting would be needed to "find a conclusion". [passage omitted]

Minister 'Ready To Quit'

BK1903014590 Bangkok BANGKOK POST in English 19 Mar 90 p 1

[Text] Prime Minister's Office Minister Colonel Phon Roengprasoetwit said yesterday he is ready to leave his post, because he "no longer cares about anything." He was reacting to reports his United Democratic Party [UDP] may be taken out of the coalition Government. "I am ready to get out. I don't care because I am not dirty. I have no wounds and I have never done anything wrong," Col Phon said when asked about the possibility of the UDP being removed in a Cabinet reshuffle. The UDP leader said whether or not his party stays in the coalition is up to the Prime Minister and will be a normal event in the democratic system. However, the coalition was formed before the last general election when the five coalition party leaders met for golf and pledged to stay together. "We pledged not to leave each other. No matter how many votes each of our parties got we were going to be a coalition Government. "The Prime Minister has always held to this pledge," Col Phon said.

Asked about the criticism that his party has done little in government, Col Phon replied: "The reason I didn't do anything is because there is nothing for me to do. My responsibility is the Sports Promotion Organisation of Thailand, but General Thianchai Sirisamphan (the Deputy Prime Minister) took all the work from me. I don't care whether I go or stay. I just don't care about anything. I am sure that I have not done anything dirty or have any wounds from my work. I always lose money every time I am a minister; I never make money. I am ready to quit at any time," Col Phon said.

He said Prime Minister Chatchai Chunhawan has never discussed the possibility of a reshuffle with him. Gen Chatchai could initiate the reshuffle and then consult the leaders of the coalition partners, he said. "I don't know if there will be a reshuffle. That's up to the Prime Minister. But I think that none of the present Cabinet ministers has done anything gravely wrong," Col Phon said. He said current moves by coalition MPs [members of Parliament] to effect a reshuffle are a matter for each party to consider and this is in keeping with the Prime Minister's position that he will reshuffle the ministers of other parties only if those parties want him to. Asked if the work performance of the Cabinet minister warrants a reshuffle at this time, Col Phon said each minister does his work and it is not right to say that those who [are] mentioned in the most news reports are the only ones working. However, Col Phon said his own position is different as the work of the Sports Promotion Organisation totally depends on its administrative committee.

Cabinet To Replace Press Law With New Bill

BK2103012390 Bangkok BANGKOK POST in English 21 Mar 90 p 1

[Text] The Cabinet yesterday agreed in principle to revoke the National Administrative Reform Council (NARC) Decree No 42 and supersede it with a new bill. Prime Minister Chatchai Chunhawan said after yesterday's Cabinet meeting that the Cabinet "unanimously agreed" that the decree—which has long been criticised by the Press as draconian and infringes on press freedom—should be scrapped. Gen [General] Chatchai said an act of Parliament is still needed to effectively annul the law.

Deputy Government spokesman Prathuang Wichanpricha said yesterday that since newspaper editors countrywide had appealed to Gen Chatchai to scrap the decree, he proposed the matter to the Cabinet session yesterday. The Cabinet agreed that the law should be scrapped but a new law is needed to promote the right and full freedom of expression of the people and the press presentation based on accuracy and rightness, he said. He said the Interior Ministry was assigned to consult newspaper editors and other concerned government agencies about the proposed new law for Cabinet consideration. Mr Prathuang said the Coalition Coordinating Committee agreed that the decree should be scrapped, adding that the coalition parties already have their draft bills. Gen Chatchai said that the revocation could be achieved at the upcoming session of Parliament.

Editorial Applauds Move

BK2103012190 Bangkok THE NATION in English 21 Mar 90 p 8

[Editorial: "Freedom of Expression"]

[Text] We applaud the Cabinet's decision yesterday to abrogate Decree No 42. The press-control law, summarily issued by the national Administrative Reform Council after the bloody coup in October 1976, is utterly out of place in present-day Thailand, where democratization is steadily progressing. The Cabinet also decided to have the Interior Ministry draft a new law, not to control the press but to protect freedom of expression and promote a free flow of information. This is a remarkable change in the attitude of the government, which traditionally distrusts journalists and tries to control them.

We also heartily welcome the Cabinet's suggestion that editors of newspapers and representatives of press associations take part in drafting the new law. Their participation will certainly be useful because editors and journalists have first-hand experience with censorship and infringement of their freedom of expression. They know what to guard against and what to promote in order to guarantee a free flow of information, decency in journalism and objectivity. There seems to be a widespread misconception, even among some Cabinet members, that editors and journalists are clamouring for privileges and "extra freedom" when they demand the abrogation of Decree No 42 and other laws designed to curb freedom of expression, such as the Press Act of 1941. Newspaper people, in fact, don't have—and never ask for—special privileges. But they have to work with a wide range of information and opinions and are sensitive to any violation of their freedom of expression—which is guaranteed to all citizens under the Constitution. Abrogating Decree No 42 and other unjust laws is in line with constitutional rule, which this government has professed to uphold.

The notion of some Cabinet members that newspapers must be "controlled" for national security reasons is apparently a hangover from the days of military dictatorship, when even criticism of corruption could be construed as a communist attempt to destabilize the government. We now know how most Thai military dictators used their power to amass personal wealth and how that led to their need to gag the press. Most newspapers nowadays are well-established businesses, some with millions of baht invested in equipment and hundreds or thousands of employees. They are scrutinized by readers and advertisers everyday. And none of them can expect to prosper by resorting to yellow journalism, distortion of facts or frivolous commentaries. Editors and journalists are now under the control of the market, something that is often overlooked by people outside the profession. Moreover, newspaper people do stay under the law. If they publish false accusations, they can be sued for libel. If they spread malicious rumours that damage the country, they can be prosecuted under the criminal code. If they purposely disclose military secrets, they can be charged with undermining national security. And if they advocate communist rule, they are liable for prosecution under the existing anti-communist activity law.

This is why Decree No 42, as well as being stifling, is redundant. But authoritarian politicians would like to keep it around as a means of intimidating the press. The law empowers the national police chief to summarily order the closure of a newspaper, a patently undemocratic procedure because the police chief is simultaneously the accuser and the judge. In order to raise the standard of professionalism among Thai journalists, the Reporters' Association of Thailand and the Federation of Thai Journalists are forming a national press ethics commission to enforce a code of conduct which would try to develop a constructive dialogue between newspapers, readers and the government. This commission, when coupled with a new law on freedom of expression and information, will serve as a foundation for the growth and development of the press in Thailand. A free and responsible press, we all know, is indispensable to any country aspiring to true democracy. By abrogating

Decree No 42 and introducing the new law, the Chatchai administration will go down in history as the first Thai government to ensure the right of freedom of expression for the Thai people.

Editorial Praises Decision

BK2203011990 Bangkok BANGKOK POST in English 22 Mar 90 p 6

[Editorial: "Free Press a Pillar of Real Democracy"]

[Text] Prime Minister Chatchai Chunhawan and his Cabinet should be lauded for making the significant decision on Tuesday to scrap the controversial National Administrative Reform Council Decree No 42. Their action is praiseworthy because it represents a clear reflection of their enlightenment and willingness to accept changes in line with modern-day realities. At a time when the country has made great strides in political, economic and social development, there clearly is no room for a draconian edict like Decree 42.

The necessity and virtue of abolishing this dictatorial law can hardly be disputed by anyone with a fair and objective mind. For a start, it was summarily imposed by people who had seized power in the country following the bloody coup of October 1976—without going through the proper parliamentary or constitutional process. The manner in which official power is used to control the local press under Decree 42 is also highly objectionable. Where there is conflict of interest, the internationally-accepted practice in any civilised society is to allow the conflicting parties—both the accuser and accused—full airings before any final judgment is handed down by the judicial machinery. But the opposite is the case insofar as Decree 42 is concerned. By virtue of sweeping powers, the designated "printing officer" is authorised to mete out punitive action against newspapers for a long list of vaguely-defined offences—ranging from an official warning to the revocation of editorship and publisher licences, which is tantamount to a newspaper closure. The affected newspaper could only appeal to a court later on.

Because of the threat posed by Decree 42, local newspapers are forced to exercise some degree of self-censorship, particularly on sensitive issues. This has inevitably hampered freedom of expression as well as the public's right to know. A strong case can thus be argued that its abolition would significantly enhance the country's overall democratisation process. Irresponsible newspapers and unethical reporting can always be dealt with by laws such as the Printing Act (2484 B.E.) and the Civil and Criminal Codes. The removal of this impediment to an otherwise maturing democracy could also have positive economic ramifications. It is no secret that several local newspaper and publishing houses—the BANGKOK POST included—are embarking on major expansion plans to cope with Bangkok's probable development as a new regional publishing centre. The bulk of the current international publishing business is handled out of Hong Kong and Singapore; but given the former's uncertain long-term political future and the latter's far-from-favourable image on the question of press freedom, it seems only a matter of time before the business finds its niche in Bangkok. Other factors such as telecommunications improvement and taxation reforms count, but the creation of an atmosphere of a free press would help quicken the pace.

The crucial question before us now is how best to go about abrogating Decree 42. The Cabinet decision was vague on the manner under which it would be abolished, merely saying that the Government would propose its abrogation at the forthcoming parliamentary session while the Interior Ministry has been assigned the task of working out new legislation. Cabinet ministers and MPs [members of Parliament] alike should be reminded that one of the main reasons behind the failure by the previous administration to abolish Decree 42 was its attempt to link the abrogation with the promulgation of a new law. If they genuinely believe that Decree 42 should be abolished, as they profess, they should delink the two issues by going ahead with the simple exercise of proposing one piece of legislation to specifically abrogate the edict while working separately on another law that would not only protect and promote freedom of expression but also assure the public's right to know. There is no question that the country needs a new law on press freedom and the free flow of information as the current Printing Act is obsolete. But any attempt at linking this new law with the abrogation of Decree 42 will, once again, prove a time-consuming and complicated process. It is also unnecessary in light of the obvious reason and logic for a speedy scrapping of Decree 42.

Princess Sirinthon's Activities in Laos Reported

BK1803154090 Bangkok Domestic Service in Thai 1300 GMT 18 Mar 90

[Text] On 17 March at 0830 local time, Princess Maha Chakkri Sirinthon left the royal guest house in Vientiane by motorcade for a visit to the Nam Ngum Hydroelectric Power Plant. Her motorcade traveled by the Vientiane-Phonkheng route which is an old road leading to Luang Prabang. At the plant, the princess was welcomed by about a hundred workers. The director of the Lao Electricity Company, Houmphon Douli-gnaphon, reported to her on the operation of the plant. Princess Sirinthon expressed a special interest in the plant's production capacity, expansion plan and distribution to distant provinces, such as Luang Prabang, and the target planned for completion in 1993. She observed operation of the turbine engine at the plant and viewed the panorama from the site for about 10 minutes. She released 99 catfish into the reservoir next to the dam. The princess then returned to the plant. At 1200 local time, the princess had lunch at the clubhouse of the Nam Ngum plant.

At 1400 local time, Princess Sirinthon visited the Tha Ngon Irrigation Project of Vientiane municipality.

There, she was welcomed by General Sisavat Keobounphan, chairman of the Vientiane Administrative Committee. The princess toured the site of the project and visited the pumping station. She then attended a tea party hosted by Gen. Sisavat Keobounphan. At 1630, the princess left for the royal guest house. At 1800, Princess Sirinthon granted an audience to about 40 Thai people who have residence in Vientiane. They include Thai businessmen and the wives of foreign diplomats. Khunying Suwanni Phuaphairot, on behalf of the Joint Development Bank, presented to the princess Lao money for charity purposes. At 1930, Princess Sirinthon attended a private dinner for officials of the Thai Embassy and her personal guests at the Thai Embassy in Vientiane. She returned to the royal guest house at 2130.

Deputy Minister Visits China, Discusses Trade

BK2203074690 Bangkok Domestic Service in Thai 0000 GMT 22 Mar 90

[Text] The People's Republic of China has pledged to continue long-term trade relations and to buy more of several types of goods from Thailand despite a trade imbalance vis a vis Thailand. Li Lanqing, PRC vice minister of foreign economic relations and trade, said this during a meeting yesterday morning at his office in Beijing with Thai Deputy Commerce Minister Phinya Chuaiplot, leader of the visiting Thai trade delegation.

Phinya conveyed Prime Minister General Chatchai Chunhawan's good wishes to the Chinese Government. He informed the Chinese minister that Gen. Chatchai had negotiated a purchase of Chinese cement earlier, and that Thailand wants to buy an unlimited amount of it from China. He asked China to buy more Thai rice and natural rubber.

In today's talks, China will buy 100,000 metric tons of natural rubber this year, an increase from 90,000 metric tons last year. It will also consider buying Thai animal feed and plastic. China has asked Thailand to buy Chinese chemical products.

Secretary to Prime Minister Meets Soviet Envoy

BK2103152390 Bangkok Domestic Service in Thai 1300 GMT 21 Mar 90

[Text] Soviet Ambassador Anatoliy Valkov called on General Panya Singsakda, secretary general to the prime minister, at Government House at 0930 today. The Soviet ambassador reported to Gen. Panya on the power and duties of the Soviet president as a result of the amendment of the Soviet constitution during the special session of the Supreme Soviet on 11-15 March. He said that the Congress of People's Deputies voted for an expansion of power for the president. It voted for Mikhail Gorbachev as president for another five years with additional powers and duties. The additional power vested in the president will help improve the efficiency of the security apparatus, internal rules, and regulations. The Soviet president will have executive power in both internal and external affairs. The Congress of People's Deputies will, however, remain the most powerful institution of the country, while the Supreme Soviet will play a major role in making laws. The government, meanwhile, will have absolute power in executive matters. The president will act as coordinator in mediating internal rifts. He will also appoint an advisory council to the president.

The secretary general to the prime minister also answered the Soviet ambassador about the latest developments in the Thai Government's efforts for a political settlement of the Cambodian problem. He stressed to the Soviet ambassador the Thai prime minister's desire to achieve peace for the region and his belief that, in order to stop the fighting, all powers involved must stop giving support to the various factions in Cambodia. Concerning the plan to set up neutral camps for refugees, he said that the aim is to solve the problem of influence at refugee centers. The neutral camps will also facilitate repatriation of displaced persons who want to return to their motherland.

Narcotics Suppression Group Planned With Burma

BK1503014190 Bangkok BANGKOK POST in English 15 Mar 90 pp 1, 3

[Excerpt] Phitsanulok—Thailand and Burma yesterday agreed to form a government-level joint committee for narcotics suppression on their common border, Third Army Commander Siri Thiwaphan announced. Details of the anti-drug joint panel will be worked out and its members formed later, he said.

At the two-day regional border committee meeting which ended here yesterday, Lieutenant-General Siri, who led the Thai delegation, said the two sides had agreed that in the meantime each country should continue to suppress opium and heroin producers and traffickers.

Lt-Gen Siri and Burmese Eastern Command chief Maung Aye, who headed the Burmese delegation, agreed that the two sides should exchange information about sources of drug production and trafficking routes between the two countries.

The Third Army chief said minority groups inside Burma had largely dealt in drugs and Thailand would never lend them support in rebellion against Burmese government forces.

It has been forecast that 1,200 to 1,600 tons of opium would be produced inside Burma this year but Burmese delegates at the meeting contended that the estimate was too high. Rangoon plans to develop border areas formerly used for opium-growing. [passage omitted]

30 Vietnamese Boat People Land in Chumphon

BK2203020190 Bangkok BANGKOK POST in English 22 Mar 90 p 11

[Text] Chumphon—Thirty Vietnamese boat people landed in this southern coastal province yesterday.

police reported. The Vietnamese—nine men, 10 women and 11 children—arrived on board an eight-by-two-meter boat at a coast opposite Samet Island. They are being held at Muang District police station pending Interior Ministry approval for their transfer to the Panat Nikhom holding centre.

Vietnam

Ho Chi Minh Exhibition Opens in Hanoi 20 Mar

BK2003161190 Hanoi VNA in English 1520 GMT 20 Mar 90

[Text] Hanoi VNA March 20—A month-long exhibition with the theme "President Ho Chi Minh Lives Forever in the World Peoples' Hearts" was opened here today by Nguyen Van Linh, general secretary of the Communist Party of Vietnam Central Committee.

Present at the inaugural ceremony were Vo Chi Cong, Politburo member of the party Central Committee and State Council president; Pham Van Dong, advisor to the party Central Committee; General Vo Nguyen Giap, vice chairman of the Council of Ministers; and many ambassadors and cultural attaches of foreign embassies here.

The exhibition, part of a program of celebration of major anniversaries in Vietnam this year, in which Ho Chi Minh's birth centenary celebration is connected with the UNESCO's resolution recognizing him as a noted world culturist, is jointly sponsored by the Vietnam Museum of Revolution and the Soviet Union, Cuba, Poland, Czechoslovakia, Hungary, Bulgaria, Mongolia, the Democratic People's Republic of Korea, and the German Democratic Republic.

On show are nearly 400 original exhibits collected from 28 foreign countries across the world related to the late President Ho Chi Minh's revolutinary cause in the interests of Vietnamese nation and the International Communist and Workers' Movement.

Symposium Held on Inflation Control Success

BK2103084190 Hanoi Domestic Service in Vietnamese 2300 GMT 19 Mar 90

[Text] On 16-17 March, the state bank sector held a scientific symposium on inflation under the theme of clarifying the results in the effort to control and drive back serious inflation that dragged on for many years and to bring down the average monthly inflation rate from 14.2 to 2.8 percent in 1989. Attending the symposium were a large number of scientific cadres, economic experts, and leading and managerial cadres of the sector, and many scientific cadres and researchers from various institutes of economics, schools, and some sectors and branches at the central level and in Hanoi.

All the scientific reports focused on identifying and assessing the factors leading to controlling and driving back serious inflation, to which the banking sector's renovated operations—including, in particular, the use of interest rates and credits beginning in March 1989, the readjustment of exchange rates, and the organization of gold and silver transactions—served as a contributing positive factor. At the same time, the symposium further clarified the common observation that we have succeeded in controlling and driving back inflation, but we have yet to beat it. Therefore, the banking sector's task for 1990 is to directly control money and assets of society. First of all, it must basically renovate its operation, develop the efficacy of banking management on the state level, and truly organize monetary transactions in order to help commodity production establishments belonging to the various economic components perform profit-and-loss accounting and effectively carry out their business activities. It is also to restore economic order in production and circulation in the commodity and money markets—both domestic and foreign.

All reports asserted that theories as well as experiences of countries with developed commodity production demonstrate that to develop the commodity economy we must first reorganize and control the banking sector and appropriately use intelligence and material-technical bases in the apparatus that acts as the nerve center of that economy. Besides financial moves and national budget appropriations, this is an extremely important solution to help control inflation in a highly effective and realistic manner.

State Bank Announces New Interest Rates

BK2003104190 Hanoi Domestic Service in Vietnamese 1100 GMT 19 Mar 90

[Text] On the afternoon of 19 March, the Vietnam State Bank issued the following communique: Implementing the Council of Ministers chairman's Decision No. 80-CT dated 17 March 1990 on new interest rates for deposits and bank loans, on 19 March 1990, the director general of the State Bank signed Decision No. 18-NHQD setting new interest rates for deposits and loans as follows:

Interest rates for savings accounts: 2.4 percent per month for regular savings accounts and four percent per month for three-month deposits.

Interest rates for deposits of economic organizations: 0.9 percent per month for regular savings accounts and 1.8 percent for three-month deposits.

Interest rates for regular bank loans: from 1.6 to three percent per month. Special interest rates shall be given to capital loans.

The new interest rates shall be applied uniformly nationwide beginning 20 March 1990. Bank deposits and loans up to 19 March 1990 will earn interest in accordance with the new rates. As for three-month deposits opened before 20 March 1990, old interest rates will be applied until maturity dates.

Foreign Investment Law Implementation Reviewed

BK2003091790 Hanoi International Service in English 1000 GMT 19 Mar 90

["Station Report"]

[Text] Since the Law on Foreign Investment was made public two years ago, the Vietnam Committee for Investment has licensed 105 projects with the total investment of 850 million U.S. dollars. In 1989, the number of foreigners who came to Vietnam for feasibility study doubled that of the previous year. Almost all the projects involve exploration and processing of natural resources, manufacture of consumer goods, and other services. About 70 percent of these projects were joint adventures. Two-thirds of the projects have started operation with encouraging results. These projects help increase the capacity of goods production, apply advanced techniques, and create more jobs.

According to a report of the same committee, however, so far there has been no project for investment in the production of food, and most of the projects were signed in the south. The committee also worked out concrete measures to exploit, in the most effective way, the labor sources and natural resources in Vietnam. It encourages projects which involve big labor force and which will have quick return and conform to the standard of management and technology in Vietnam.

Meeting Marks Lao Party's Founding Anniversary

BK2203024190 Hanoi VNA in English 1620 GMT 21 Mar 90

[Text] Hanoi VNA March 21—A mass meeting was held at the Ba Dinh Conference Hall here this evening to mark the 35th founding anniversary of the Lao People's Revolutionary Party (March 22).

The meeting was jointly sponsored by the Central Committee of the Communist Party of Vietnam, the Central Committee of the Vietnam Fatherland Front, the Vietnam-Laos Friendship Association and the Party Committee of Hanoi.

Among those present on the Presidium were Vo Chi Cong, Politburo member of the Communist Party of Vietnam Central Committee and president of the State Council; Pham The Duyet, secretary of the party Central Committee and of Hanoi's Party Committee, Lao Ambassador to Vietnam Bouasi Chaleunsouk and Cambodian Charge d'Affaires ad Interim Nhoung Heng Chou.

After the opening speech by Vo Chi Cong, Pham The Duyet delivered a commemorative speech praising the tradition of heroic struggle of the Lao party over the past 35 years.

He said:

"The Vietnamese Communist Party and people highly hail the achievements recorded by the Lao party and people and greatly rejoice at and are proud of the fine development of the friendly relations between the two parties and peoples over the past half century. That relationship has become one of the factors ensuring the success of each country's revolutionary cause. The pure and loyal Vietnam-Laos friendship fostered by President Ho Chi Minh will last forever and be unbreakable."

He also expressed the Vietnamese people's gratitude toward the Lao party and people for their support and assistance and wished them greater successes in implementing the resolution of the fourth congress of the Lao party.

Addressing the meeting, Lao Ambassador Bouasi Chaleunsouk underlined the great assistance rendered to the Lao revolution by Vietnam, Cambodia, the Soviet Union and other fraternal countries as well as friendly countries, particularly the wholehearted and effective assistance of the Vietnamese party, government and people. "In the present situation," he stressed, "the special relationship and cooperation on between Laos, Vietnam, and Cambodia will be unceasingly consolidated and developed in the interests of each country and of peace, stability and cooperation among countries in Southeast Asia."

CPV Greets Party

BK2203053390 Hanoi Domestic Service in Vietnamese 2300 GMT 21 Mar 90

[Text] On 20 March, the Communist Party of Vietnam [CPV] Central Committee sent a message of greetings to the Lao People's Revolutionary Party [LPRP] Central Committee. The message read:

On the occasion of the 35th founding anniversary of the glorious LPRP, on behalf of the CPV and the Vietnamese working class and people, we would like to convey our warmest greetings to the Central Committee and all members of the LPRP, as well as to Lao people of all ethnic groups.

Over the past 35 years, under leadership of the LPRP—a genuine Marxist-Leninist party—the heroic Lao people of all ethnic groups have gone through many stages of struggle full of sacrifice and hardship and have continuously scored many glorious achievements. Particularly during the past three years and more, in light of the Fourth LPRP Congress' resolution and with a spirit of heroic struggle and diligent labor, the Lao people have advanced to score many noteworthy achievements in the process of renovation, thus enabling the general situation in the country to undergo promising development. The historically significant successes of of the Lao revolution have constantly developed the active role of the Lao People's Democratic Republic [LPDR] in the common struggle of various nations for peace, national independence, democracy, and social progress in Southeast Asia and the world. These great successes have also contributed to broadening the influence and augmenting the strength of the revolutions in the three countries on the

Indochinese peninsula, as well as to further enhancing the position and prestige of the LPRP and the LPDR in the international arena.

We are highly elated at the great achievements recorded by the fraternal people of Laos. The communists and people of Vietnam firmly believe that under the clear-sighted leadership of your party headed by esteemed Comrade General Secretary Kaysone Phomvihan, the fraternal Lao people will continue to develop their tradition of solidarity and unsubmissive revolutionary struggle and will certainly achieve new successes in the process of renovation, thereby consolidating and improving the people's democratic system and gradually advancing it to socialism. We are very satisfied with and take great pride in the constant development of the special friendly relations and loyal and clear solidarity between Vietnam and Laos, which were established through the sweat and blood of the two peoples and painstakingly cemented by President Ho Chi Minh on the basis of Marxism and proletarian internationalism. This is one of the factors that ensures the success of the revolutionary cause in each country.

The party, government, and people of Vietnam pledge to do all they can to strengthen the friendly solidarity and all-round cooperation between Vietnam and Laos. We pledge to further improve the efficiency and quality of this cooperation in the spirit of wholeheartedly assisting one another in accordance with the principles of mutual respect for each other's independence and sovereignty, equality, and mutual benefit, thus serving the interests of the peoples of the two countries and contributing significantly to accelerating the process of detente, stability, and cooperation in Southeast Asia. On this occasion, on behalf of the Communist Party and people of Vietnam, we would like to sincerely thank the LPRP and fraternal people of Laos once again for the great, valuable, and fraternal assistance they have always rendered to the Vietnamese revolution. May the special, loyal, and clear solidarity and all-round cooperation between Vietnam and Laos last forever.

Agreement With Laos on Forestry Cooperation

BK2003093590 Hanoi VNA in English 0731 GMT 20 Mar 90

[Text] Hanoi VNA March 20—An agreement on forestry cooperation in 1990 between the Vietnamese Forestry Ministry and the Lao Ministry of Agriculture and Forestry has been sgined in Hue, capital of the central Vietnam province of Thua Thien-Hue.

Signatories were Nguyen Huu Quang, Vietnamese deputy forestry minister, and Khamounan Boupha, first deputy minister and head of a delegation of the Lao Agriculture and Forestry Ministry recently visiting Vietnam.

Under the agreement, the two ministries will cooperate in person training, forest survey and exploitation. They will also exchange information on forestry-related science and technology, environment and forestry economy.

While in Vietnam, the Lao delegation toured the central province Quang Tri and Thua Thien-Hue where it exchanged views on developing bilateral cooperation between the southern Lao province of Savannakhet and the two Vietnamese provinces.

Soviet Supreme Court Delegation Pays Visit

BK2103090290 Hanoi VNA in English 0745 GMT 21 Mar 90

[Text] Hanoi VNA March 21—A Soviet Supreme Court delegation headed by A. Smolentsev, president of the Supreme Court of the USSR, has paid a week-long visit to Vietnam.

While here the delegation was cordially received by Le Quang Dao, vice-chairman of the State Council and chairman of the National Assembly.

President of the Supreme People's Court Pham Hung held talks with the Soviet head delegate. The two sides exchanged views on the organization and work of their courts and their role in the renovation process in the two countries.

The Soviet delegation also met with Minister of Justice Phan Hien and President of the Supreme People's Organ of Control Tran Quyet.

Vo Nguyen Giap Receives Foreign Scientists

BK2003092390 Hanoi VNA in English 0709 GMT 20 Mar 90

[Text] Hanoi VNA March 20—Vice-chairman of the Council of Ministers Vo Nguyen Giap received here yesterday Japanese, Polish and Thai scientists who have been here to attend the international seminar on the ancient town of Hoi An.

Vice-chairman Vo Nguyen Giap thanked foreign scientists for their interests in the Hoi An ancient town and this seminar.

Earlier, Mrs. Nguyen Thi Binh, president of the National Assembly's External Relations Commission and chairwoman of the Vietnam Union of Peace, Solidarity and Friendship Organizations received the Japanese delegation.

On March 18, the National Committe for the International Seminar on Hoi An gave a reception in honour of the foreign guests.

Delegation Attends French Socialist Congress

BK2203084490 Hanoi VNA in English 0703 GMT 22 Mar 90

[Text] Hanoi VNA March 22—A delegation of the Communist Party of Vietnam led by Dau Ngoc Xuan, member of the party Central Committee and chairman of the State Commission for Cooperation and Investment, attended the 10th National Congress of the French Socialist Party held in Rennes, France, from March 15-18.

During its stay in France, the Vietnamese delegation had working sessions with various French economic and financial offices.

It was received by Gaston Plissonnier and Maxime Gremetz, Politburo members of the French Communist Party. It also met with Roger Fauroux, French minister of industry; Jacques Despont, director of the External Economic Relations Commission; Samuel Lajeunesse, in charge of the French budget; and many other government officials and businessmen.

Paper Comments on GDR General Elections

BK2203084090 Hanoi VNA in English 0710 GMT 22 Mar 90

[Text] Hanoi VNA March 22—The recent general elections in the German Democratic Republic have caused much concern and provided food for thought to those who are interested in socialism's destiny, says NHAN DAN in a commentary today.

The paper says:

"The elections proceded under blatant pressure of the Federal Republic of Germany and its brazen intervention in the internal affairs of the German Democratic Republic. Power is being fetched to the hand of the right-oriented forces whose ideology is not for socialism. The ever growing pressure upon the GDR is only aimed at hastily unifying Germany under the FRG Constitution and placing a unified Germany in the NATO."

The paper supports the Party of Democratic Socialism and the German people who wish to advance along the path of socialism and are struggling to defend the GDR people's social gains.

Nguyen Van Linh Greets Mongolian Party Leader

BK2203015790 Hanoi VNA in English 1628 GMT 21 Mar 90

[Text] Hanoi VNA March 21—Party General Secretary Nguyen Van Linh yesterday congratulated G. Ochirbat on his election as general secretary of the Central Committee of the Mongolian People's Revolutionary Party.

In his congratulatory message, the Vietnamese leader wished the friendship and cooperation between the two parties and the two peoples continuous strengthening and development.

New Envoy to Yugoslavia Presents Credentials

BK2203022690 Hanoi VNA in English 1617 GMT 21 Mar 90

[Text] Hanoi VNA March 21—Vietnam is an important factor for international cooperation, especially in the Nonaligned Movement, said Dr. Janez Drnovsek, president of the Collective Presidency of Yugoslavia while receiving Vietnamese Ambassador Vo Anh Tuan, who presented him his credentials on March 19.

The Yugoslav leader asked the Vietnamese diplomat to convey his best regards to President Vo Chi Cong, the Vietnamese government and people as well. He expressed his joys at the initial results of Vietnam's economic development and wished the Vietnamese people greater successes in the process of renovation.

"I am strongly convinced that the processes of renovation and reform carried out by our two countries will bring about new development in our bilateral cooperation," President Janez Drnovsek stressed.

Chemical Warfare Training Activities Reported

BK2003104390 Hanoi Domestic Service in Vietnamese 1400 GMT 19 Mar 90

[Text] The chemical force has successfully completed a training course for cadres and assistant commanding officers in charge of all-Army chemical warfare detachments. The course was part of an overall program devised to improve the training quality of small detachments. Instructors included well-experienced teachers of the Chemical Warfare Officers Training School and other chemical warfare staff officers. Cadres assumed the roles of both instructors and teacher aides.

During the training session, trainees studied the main contents of the 1990 training program, with emphasis on small detachment combat formation training methods. The trainees were given introductory lessons, followed by demonstrations by a model training squad and then by night training activities. The chemical warfare training section also introduced a number of training aids that units can construct with simple materials. The trainees learned how to do staff work, write different types of documents, prepare lessons, make reports on training results, and operate a number of special vehicles and machines.

War Veterans Association Adopts Draft Statute

BK2103080290 Hanoi Domestic Service in Vietnamese 2300 GMT 20 Mar 90

[Text] The Vietnam War Veterans Association's provisional executive committee recently adopted a draft statute for the association. It is composed of a preamble and six chapters as follows:

Chapter 1: Objectives and tasks of the association

Chapter 2: Membership qualifications

Chapter 3: Organization of the association

Chapters 4, 5, and 6: Echelons of control committees and financial status of the association.

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